

Spring 2010

Foundations for the Future



A special gift, estate, and financial planning newsletter for friends of the Pine Rest Foundation

Secure the Future for Your Loved Ones

You would not begin a home improvement project without making sure you have everything you need to complete it. You might talk to someone who has completed a similar project, make a list of the materials you will need, take measurements, and draw a rough sketch of your idea.

In much the same way, you cannot provide for your family's future economic security if you do not have the proper plans in place. Many professionals suggest beginning with a will, the basic building block of even the most complex estate plans.

A good place to start

Think of your will as a blueprint to help guide the eventual settlement of your estate. A thoughtfully written will, prepared in consultation with a qualified attorney, distributes property to those you wish to provide for, in amounts or percentages you determine. It also allows you to make gifts to family, friends, and charitable interests, such as the Pine Rest Foundation, who have earned a special place in your life.

Provide for heirs

Your will can provide loved ones and charitable interests with a particular amount, certain assets, or percentages of your estate. It also allows you to distribute your assets according to the individual needs of heirs. You can leave specific amounts to some people and have others share in the remainder of your estate.

Read on for more information on ways you can use your will and other estate plans to balance the needs of your loved ones with your philanthropic goals.

INSIDE THIS ISSUE

- Make gifts through your will
- Does a woman need a will?
- Test your will IQ

Your Will Can be a Gift of Love

A well-planned will is a precious gift to your family and other loved ones. It protects you, your heirs, and your property. Your will can also benefit your charitable interests.

Charitable gifts in your will are an easy and effective way to remove assets from your taxable estate, tie up loose ends, and make sure your philanthropic goals are met.



WHAT A WILL CAN DO

Your will can accomplish much more than the distribution of your property. With a will, you can also:

- Designate who you want to care for your children if they are still minors
- Provide for management of property after your lifetime
- Waive requirements for filing complex accountings and other reports
- Make provisions for charitable organizations, such as the Pine Rest Foundation, if desired

Choosing the Best Ways of Giving

The will is an extremely flexible instrument. Consider the different ways you can use your will to distribute property.

Leaving a fixed amount

Your will can specify a dollar amount to be given to a particular recipient. This can make sense if you would like to ensure that a certain amount is received by an heir before leaving any remaining assets to others.

Remember, however, that your financial situation may change over time. It is especially important to periodically review your will and other plans to be sure they reflect your current desires.

Designating specific assets

Similarly, you can use your will to leave a particular item or asset to others. As is the case when providing for a bequest of a dollar amount, this allows you to know exactly what a loved one or charitable interest will receive. Be careful, however, not to sell or give away any assets you have designated for others in your will.

It's also a good idea to discuss your intentions with the intended recipient in advance. You don't want to burden them with an asset they may not need or are unable to use.

Giving adjustable amounts

Leaving designated percentages of your estate allows you to give

proportions rather than specific amounts. The amounts received are then automatically adjusted as your finances change. Consider this option if you have less specific goals in mind.

Give "what's left"

The residue of your estate is what remains after all other distributions have been made. After first providing for loved ones in the amounts they determine to be appropriate, many choose to devote all or a portion of the residue of their estate to charitable use.

Wills offer flexibility

You can also combine the above methods in your will. For example, you might specify that certain amounts or properties go to certain people, then divide whatever remains by percentages among your charitable interests.

Supplement your will

Other documents you may already have in place may determine how certain assets you own are ultimately distributed. For instance, if you own real estate jointly with another, your will may have little or no effect on the property's final disposition. In the case of life insurance policies or retirement plans, a beneficiary designation you signed years ago could determine who receives those assets, not the terms of your will.

Why a Woman Needs a Will

Whether she is single, married, wealthy, or of modest means, every woman should have a will as part of her long-range estate plans. Any number of factors—from changes in the value of assets to uncertain economic conditions—make it more important than ever to have a valid, up-to-date will.

When she is married

Many married women assume their interests will be protected by their spouse's will, but that isn't necessarily true. Should her spouse predecease her, probate costs as well as federal (and perhaps state) estate taxes could consume a large portion of their total estate, regardless of whether property is owned outright or jointly. With proper planning, however, a woman can reduce or eliminate the impact of estate taxes and probate fees.

When she has children

A woman's will can help ensure her husband will have access to her portion of their property to care for minor children should it become necessary.

If she has adult children, she can divide her estate among them equally or make provisions based on individual need. She can also arrange for asset management that can provide each child with income for a period of years or for life.

If she has remarried, a woman may find that with proper estate planning she can be confident that each spouse's property will be distributed as they wish.

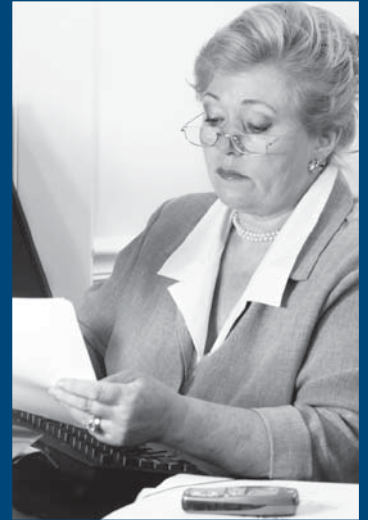
Tying up "loose ends"

Through a thoughtfully prepared will, she can also:

- Make plans to care for a loved one.
- Avoid the possible sale of heirlooms and other valuable items that can cause delays and unnecessary costs when settling an estate.
- Remember friends and loved ones in a special way.
- Include gifts to charitable interests, such as Pine Rest, that would not be possible in the absence of a will.

Don't delay

Make an appointment with your attorney today. If you don't know an attorney, ask a relative or friend to recommend one, or call your local bar association. With a valid, up-to-date will in place, you can enjoy the peace of mind that comes from knowing you have provided for those you care about most.



IF YOU DON'T HAVE A WILL...

- State laws dictate that no one outside your family can receive your property.
- Family members receive predetermined shares, regardless of need or merit.
- No cause or organization can receive any of the property you may have intended for charitable use.

Always consult a professional when preparing a will, trust, or other long-range estate plan.

Test Your Will IQ

People often have misconceptions when it comes to wills. The following statements can help you discover how much you know about wills—and how much you may need to learn.

1. **True False** I can ensure that those I leave behind are taken care of in the ways that I suggest by having an effective will in place.
2. **True False** I should have a valid will when I die if I don't want my assets to be divided according to my state's laws.
3. **True False** I can continue providing for charitable interests by including them as beneficiaries in my will and other long-range plans.

4. **True False** I can ask my attorney to estimate his or her fee for drawing up a will. Most attorneys who specialize in estate planning will gladly do so.

5. **True False** I can benefit from having an up-to-date will, even if I have a modest estate.

6. **True False** I should not rely on joint ownership as a substitute for a will.

All of the statements above are **True**. If you got them all right, congratulations! If you missed a few, don't worry. Your professional advisor will guide you through the process of properly preparing your will and other estate plans.

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Happy Anniversary!

Yes, it's true. In June the Pine Rest Foundation turns 50 years old. Not only that, but Pine Rest Christian Mental Health Services turns 100!

This is going to be a very special year. Are you part of this legacy? Have you made plans to contribute to this gem of a community resource? If not, why not consider planning a gift today? Not only would your gift benefit those that seek services at Pine Rest, it could truly benefit you. We can help make it happen.

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