



Santa Barbara County's
United Way

PLANNING YOUR WILL

We all know that everyone should have a will. We all know that it is important to write down final instructions on how things should be done once we are gone. And, though it may be difficult to think about the end of one's life, you need to have a will right now – not just this second, of course, since creating a will requires a lot of thought and attention! But, if you have not yet sat down and started to draft your will, put that task at the top of your list. Don't wait for a rainy day or the end of the year.

In this issue of *Visions*, we focus on the basics: what a will is and what a will can do. We also look at what happens when a person dies without a will. If you already have a will, this information will be a good reminder why you should be glad you have one and why you need to periodically review your will. If you do not have a will, this information will be a good starting point for taking action now.

One important thing to know is that every person's will can be custom-made to fit his or her specific circumstances. A basic will is relatively simple to make. But, a will that is a true testament to how you want to care for your friends, family and community has its own special sensibility. A thoughtfully planned will is appreciated by everyone.

We think that you will enjoy this issue of *Visions*. If you want further information, please return the enclosed reply card to receive our booklet ***Planning Your Will—How to Make It More Personal and Effective***. We welcome your questions and comments and would be happy to show you how you can best include us in your estate plan. We look forward to hearing from you.

visions IN PERSONAL PLANNING

Where There's a Will, There's Something to Remember

A will is a legal document that describes how you want to distribute your estate and take care of other important matters upon your death. There are many reasons why you want a carefully executed will in place. With a will, you can document how you want to distribute your available property to family, friends or favorite charities. With a will, you can set up a trust to provide for loved ones with special needs or high medical costs. With a will, you can designate the guardian that you want to take care of your minor children. There is a lot of good that can come from a well-written will. So the first step is to determine your real objectives and how you want to provide for loved ones.

Next, before you sit down with your attorney to write your will, you should take an inventory of



all your assets and debts. It is important to know what you will have in your estate upon your passing. Be sure to include assets or debts co-owned with another person. Even list insurance policies that you own that promise payment to one or more beneficiaries upon your death. Though the policies themselves may not be part of your estate, they influence how you divide your existing estate.

One important choice to make in drawing a will is to choose a personal representative or executor. The executor is expected to carry out the terms of the will during the probate process. The executor may be given specific powers in the will that he or she would not otherwise have under state law – for instance, the power to continue operating the decedent’s business. The person chosen as the executor must be both capable of managing the estate and someone willing to take on this task. It may be a close relative or an institution such as a bank. Perhaps you may consider naming both a bank and

a close relative as co-executors to get the best of both worlds. Your attorney can help you consider these options.

It is important to understand that laws regarding wills can differ from state to state. Nonetheless, most states require that the will is written and legible. Most states require that at least two witnesses sign onto a will. These witnesses attest that the testator was of sound mind when he or she signed the will. Your attorney can advise you as to the best way to ensure that your will has been executed with the requisite formalities.

When one dies, the executor is expected to file your will with the probate court. Probate court is the state court that will record your estate, determine its validity, and enforce its administration. Note that probate costs and administrative costs can take a big chunk of an estate and leave less for those people and charities

you regard and care for. Be sure that your will is as clear and sensible as possible to preserve your estate and your intended bequests.

Of course, a will is made to be the last testament. However, circumstances do change — for instance, the birth of a child or grandchild, a change in the size of your estate, new tax laws or the need to add an important charity as a beneficiary in your estate plan. If the changes are simple – such as adding our organization as a beneficiary – you can expedite the change through an amendment called a codicil. Any major changes may require that you revoke the previous will and create a completely new will.

Example: Bridget Evens has always taken care of her older sister Helen, even more so in the past several years as Helen grew very ill. Sadly, Helen died earlier this year. Bridget contacted her attorney and created a codicil to her will that states that





the large sum of money Bridget intended to leave in trust to Helen to help pay her medical and living expenses will now be directed to several different local charities in her memory, including our own organization. When circumstances changed, Bridget changed her will to memorialize her sister.

If a person dies without a valid will, he or she is said to have died intestate. The property will be distributed under the intestate succession statutes of the state where the person lived. These statutes are based primarily on blood lines and do not account for what the decedent would have wanted. This means friends and favorite charities are left out. It also means that a personal plan cannot be put in place to reduce potential taxes, administrative costs, and estate shrinkage. The intestate statutes are formulaic to suit everyone and no one.

Example: Jeffery Harper is a widower and longtime contributor to many charitable causes, including our organization. His wife died several years ago, and Jeffrey hasn't taken the time to write a will simply because he has no children and no one who depends on his financial support. He has also considered making a large gift to several charities that he believes can use the money, but he isn't sure about making such a big commitment in view of the constantly changing economy and tax laws. Unfortunately, without executing a will, Jeffrey will miss his chance to make those significant gifts. If Jeffrey dies intestate (without a will), his assets will likely be distributed to relatives he may not have spoken to in years, or, even worse, the government—and not one dime will go to any of his favorite charitable causes, despite his best intentions.

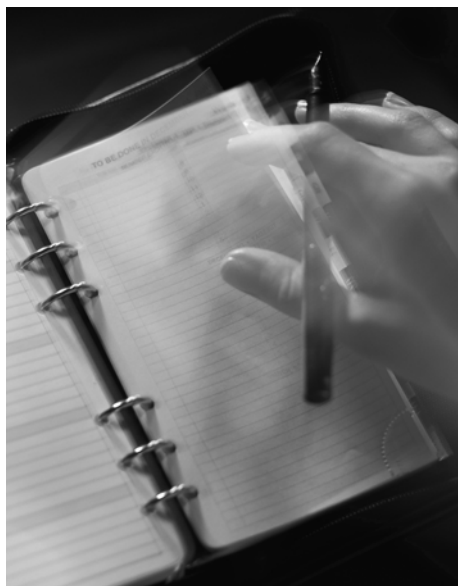
What is an Ethical Will? Should You Have One?

An “ethical will” is not a legal document, but a written statement of your wisdom and memories of what is important to you. An ethical will is more than a personal history—it is a way to tell what you have found is important in life. A monetary gift or a bequest of property such as a family heirloom can have significance, but the ethical will speaks of what you value. An ethical will can be extremely satisfying and worthwhile just in its very writing. Consider writing an ethical will at the same time you draft your legal will.

We Want to Hear From You

Planning a will is one of the most important tasks you will ever undertake. A will is a legal document that is as unique as you are. After observing some formalities, and with the advice of an attorney, you can create a will that is both personal and effective. It is especially important when you consider what happens under intestacy (when the state decides how to divide your estate). Creating a will is an empowering and satisfying accomplishment that you can start right away.

If you would like to have more information about will planning, we urge you to send for our new booklet, *Planning Your Will—How to Make It More Personal and Effective*. It contains valuable information about wills and effective ways to draft a will that achieves your estate planning needs and makes a statement about who you are and what is important to you.



Let Us Know

If you create a will that names our organization as a beneficiary for a charitable bequest, we want to know so that we can make sure your bequest is used for your intended purpose. We also want the opportunity to thank you. We will be happy to share information about the various programs and initiatives that are made possible through thoughtful bequests.

If you have considered including a bequest to our organization in your will, the exact wording of the bequest is important. Our legal name is “_____.”



Santa Barbara County's
United Way

Network for Caring

You & I... helping local people as no one else can



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Planning Your Will in These Changing Times

To learn more about the basics of will planning during these changing times, simply return this card and we'll rush you a complimentary copy of our new booklet, ***Planning Your Will — How to Make It More Personal and Effective.***

- Please provide me with the free booklet.
- Please send me information about legacy and memorial opportunities available.
- I would like information about tax-wise gift plans which may benefit both your institution and me.

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