

Lake Junaluska LEGACY CIRCLE



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Dear Friends,

Because of the spirit of generosity that has been a hallmark of Lake Junaluska's story, our mission and ministries have thrived for well over 100 years. In fact, we just celebrated our 109th birthday on June 25. As a long-time charitable supporter, you know the power of this sacred place and you've given generously so that others could experience God's presence in the same way that you have. Thank you!

Our vision at Lake Junaluska is to become known as the most welcoming and inviting place for personal renewal in the United States. It's a vision of more families connecting with God and one another here on our grounds. It's a vision of young people connecting with Christ and hearing God's call. It's a vision of sharing God's gift of hope and light with all who find themselves at Lake Junaluska.

We invite you to help ensure this vision for the future by becoming a member of the Lake Junaluska Legacy Circle. To date, over 27 households have made a planned gift commitment to Lake Junaluska since January 2021. Whether you have already included Lake Junaluska in your estate plans or are in the process of doing so, joining the Lake Junaluska Legacy Circle is simple. More information can be found online at lakejunaluska.com/legacycircle, including past issues of our estate planning newsletter which serve as a more in-depth resource about different types of planned giving opportunities.

This issue of our Legacy Circle newsletter focuses on the most fundamental way individuals can help to ensure the future of Lake Junaluska — by making a provision in a will directing a percentage or specific amount of their estate to the organization. We hope you find this information to be helpful as you continue to support causes and organizations like Lake Junaluska that are near and dear to your heart.

With gratitude,

Rebecca C Mathis

Rev. Rebecca Mathis
Director of Advancement



Ensuring the Future

Do you have a current will? If so, you may be among the minority. A 2022 study by Caring.com reports that 67% of Americans do not have a will or living trust in place, despite more than 50% of respondents stating that having a will is important. Among those who don't have estate documents, the main reasons are "I just haven't gotten around to it" (40%) and "I don't have enough assets to leave to anyone" (33%).

The time and cost of completing a will may be a slight disincentive, but it certainly shouldn't impede it. When one thinks of the amount of time and money typically spent planning a wedding or a significant birthday or anniversary, surely planning one's estate shouldn't be any less important, nor is it more time consuming or costly.

We celebrate the continuing effort of Bill Gates and Warren Buffett to engage the world's wealthiest individuals to confirm they will give away significant portions of their estates. According to www.givingpledge.org, more than 200 of the world's wealthiest individuals or families have committed to give away at least 50% of their fortune. The net result over time should be quite impactful in alleviating poverty and suffering, preventing and treating disease, and advancing education. The campaign, however, underscores an important, though more subtle, message about the value of charitable estate planning.

Estate planning is not only for the most affluent; it is also for persons of average means who have accumulated assets and property over the years. Good stewardship requires careful planning. As individual and family net worth and circumstances change, the greater the necessity for careful estate and financial planning.

Much of what we, as individuals, are able to do for our families and charitable institutions during our lifetime is the result of good stewardship of what we earn and accumulate. It is equally important to be good stewards of our resources when we no longer need them. A comprehensive estate plan is necessary to make certain that our resources will be distributed to family members and to charitable organizations that we believed in and supported during our lifetime.

Estate Planning Begins With a Will

The most basic component of any estate plan is having a valid will. Preparing a will should be done carefully and with the help of an attorney who has the experience and expertise to help you carry out your wishes. It is your attorney's job to keep abreast of current estate tax law and guide you through the process of constructing your will so that you accomplish your objectives and avoid needless complications for your loved ones. If you do not prepare a valid will, the laws of the state in which you reside will prescribe how your estate is distributed. Unless you are in agreement with the distribution used by the state, it is imperative that you prepare your own valid will to ensure that your wishes are carried out.

Once your will is made, it should be considered a living document. Many factors can have a bearing on your will and may necessitate adjustments. It is wise, in fact, to review your will at least once a year.

Federal and state tax laws affecting wills and estates have changed frequently in the past and will likely change in the future. The state in which you live may have additional legislation which affects your estate plans. Also, the value and form of the assets which you plan to distribute in your estate may have changed since you prepared your will. These and other factors make it extremely important that you and your attorney monitor your changing situation to make certain that your will is up-to-date.

The First Step in Making a Will: Determine Your Objectives

Before you talk with your attorney concerning your will, it is important to think seriously about what you want to accomplish through the distribution of your estate. If you are married, you and your spouse will each need a separate will, and together, the two of you may want to discuss your estate planning objectives.

For some people, a primary objective is to pass assets to the surviving spouse and then to children and grandchildren. Other objectives may include bequests to organizations whose missions and purposes are extensions of your lifelong beliefs and values. Therefore, it is also advisable to discuss your charitable intentions with the chief executive or development staff member(s) at those charitable institutions which you wish to include in your will. These representatives can often provide insights into the best strategies for accomplishing both your objectives of passing wealth to family members and making an estate gift to one or more non-profit institutions. We at Lake Junaluska are regularly consulted in such matters.

In addition to clarifying the objectives of your estate plan, it is helpful to make an assessment or inventory of your estate. Your attorney can be more helpful to you and the process will also give you a much better understanding of your own assets.

Visit the Planned Giving Resource Section at lakejunaluska.com/legacycircle to find a form that will help you organize your thinking and provide your attorney with the information that is needed to help you meet your estate objectives. Even if you have inventoried your holdings in the past, it is a good idea to do an annual review. If you have a will, but have not examined it in some time, the form could also be useful to you in bringing your current assets and liabilities into clearer focus. The process may suggest that a more thorough review of your estate plan is needed. It is important to remember that life insurance and retirement accounts (pension, IRA, 401k, 403b, etc.) may not be distributed by your will. Instead, these particular types of accounts must name a specific beneficiary or beneficiaries. Therefore, these items also need to be kept current.

Making a Charitable Bequest By Will

A number of individuals have directed resources to Lake Junaluska over the years by making a specific bequest through their wills. Doing so can be attractive for donors who wish to extend their values and interests into perpetuity. Funds have been directed to establish endowments which memorialize the donors themselves, their parents, or other family members.

The income from these endowments has been used for a variety of purposes, including caring for the lake, repairing and maintaining the dam, preserving historic structures and sustaining our program offerings. At times, bequests we have received have been in a form other than cash, such as real estate, tangible personal property, stocks and bonds. In most cases these have been liquidated and the funds placed in our portfolio to generate income for the purposes the donor intended.

There are several ways to include a bequest to Lake Junaluska in your will. While you will need the assistance of your attorney in determining which way best fits your particular circumstances, the following are some methods used in making a gift by will:

Outright Gifts

A gift made by bequest can be an outright gift of a percentage of your estate, a specific sum of money, a specific piece of personal property, or it can be a share of such property. For example, a donor could, following the Gates/Buffett example, designate by will as much as 50% of their estate or a more modest percentage. Sometimes 2% or 3% can make a real difference to the institution without significantly impacting your heirs. Alternatively, one could designate a specific sum, such as \$50,000 or all of your shares of XYZ Corporation stock to Lake Junaluska. Another option would be for the donor to give one-half of his or her shares in ABC Corporation stock to Lake Junaluska.

Residual Gift

What is left in your estate after all outright, specific, and other similar gifts have been made is called the residuary estate. You may direct in your will that this residuary estate be transferred to specific persons, or you can have your residuary estate (or a portion thereof) pass to a charitable institution such as Lake Junaluska. For example, a donor's will could provide that one-fifth of his or her residuary estate will be transferred to Lake Junaluska, and the other four-fifths of the residuary estate will either be transferred outright to family members or held in trust for their benefit.

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Gift of Real Estate

A gift of real estate may be made entirely to one person, such as one's spouse, or to an institution. Or the real estate might be given to one's spouse for use during the spouse's lifetime, with the property then passing to another person or Lake Junaluska. For example, a donor may want to give the family home to the surviving spouse for the spouse's specific lifetime use and then have the will provide that the home will transfer to Lake Junaluska.

Contingent Beneficiary

A donor may wish to consider naming Lake Junaluska as the contingent beneficiary of his or her will. This means that our institution would benefit only if the beneficiaries named in the will are not living when the donor dies. In the event all one's beneficiaries are deceased when one's will takes effect and there are no other close relatives, it is possible that the estate could pass to distant, and possibly unknown, relatives by default. Often this involves expensive litigation. If no relatives can be found, the entire estate could pass to the state. By naming an organization as contingent beneficiary, one prevents this from happening.

Gifts in Trust

You may establish one or more trusts in your will that benefit family members or other persons as well as Lake Junaluska. One way is to designate that the earnings from the trust property be paid to your spouse for his or her lifetime, with the trust property then transferring to Lake Junaluska. There are many trust variations, and it is essential to consult an experienced attorney in drawing up such a trust, so as to comply with complex Federal regulations and qualify for the allowable estate and income tax charitable deductions.

Codicil

If a gift to Lake Junaluska is not now included in your will and you wish to make such a gift, you can do so through execution of a codicil (amendment) to your will. Your attorney should be consulted to draw up the codicil. This is often relatively simple and inexpensive.

Sample Wording for Charitable Bequests

As stated previously, there are a number of ways to include a bequest to Lake Junaluska in your will. One of the most common errors with charitable bequests is the use of an incorrect name for a charitable institution. Using an incorrect name can lead to expensive litigation, or worse, the failure of giving the specific gift to the charity (and the failure to satisfy the donor's intent). Therefore, it is important that the correct legal name and address is verified with the intended charitable institution prior to documenting it in your will.

The following are samples of possible wording for a charitable bequest which you may review with your attorney:

- 1. Unrestricted Bequest:** I give to Lake Junaluska, ____ % of my adjusted gross estate, or, [the sum of \$____] for its general purposes.
- 2. Restricted Bequest:** I give to Lake Junaluska, ____% of my adjusted gross estate, or, [the sum of \$____] to be used for _____. If the LJA Board of Trustees at any time determines, however, that the organization's mission and purposes would be better served by using a portion or all of such sum for general purposes, such portion or all may then be used for such general purposes.

Leaving a Legacy

Having a current and valid will should be a high priority for each of us. Through it, we can make certain that our estate is distributed according to our wishes, not according to a state-imposed formula. In this way, we are able to continue to support those persons and causes which have been so important to us during our lives.

As you work with your attorney in drafting or revising your will, we hope you will consider making a bequest to Lake Junaluska to further our mission and ministry. If you have questions, or would like additional information about our mission and programs, please return the enclosed form and we will be pleased to contact you.

