

Bequests: What does it take?

by Charlie Tarbell, LEA Treasurer

The following is the second in a series of articles about the newly-established *LEA Lakes Legacy League*. The first article, in the spring 2020 newsletter, introduced the idea of *The League* and discussed my own personal motivation for participating. Today I will speak to the execution (the “how.”)

This story starts with the fact that LEA is very proud of the fact that our total fundraising and administration cost is less than 10% of our overall expenses (source: 2018 IRS Form 990 submission. The non-profit benchmark is 20%). Clearly then, we have no full-time “development” staff. So, while researching bequests, LEA’s Executive Director, Colin Holme, and I paid a visit to a local man at his lakeside home. This fellow, whom I will call Bob, is an octogenarian with over 40 years of membership in LEA. He was also, once-upon-a-time, a member of the LEA Board of Directors. When asked about his own bequest motivation, Bob just pointed to the lake and smiled – “need I say more?”. He went on to say that his motivation was more than purely emotional. “The lakes are the economic lifeblood of this region. Protection of the lakes is protection of that economic ‘crown jewel’”.

Bob spent his career managing money and thinking through “worst case scenarios” for his clients’ enterprises (how to sustain an organization in case of the owner’s death, disability, etc.). It was a natural extension of his career work to consider estate planning for himself and his wife, although Bob acknowledged that many folks would rather not think about “popping off”. In Bob’s case, during a regular estate planning review, he instructed his lawyer to designate 10% of his estate to certain non-profit organizations. Bob has indicated that LEA is one of those non-profits.

If you are revising your will or if you are creating a will, adding such a provision is fairly simple. Perhaps even as simple as adding a self-executed and legally-notarized codicil to your existing will. In either case, it is always a good idea to involve your attorney in executing your plans and you also might want to talk with your financial advisor about the various means available to carry out your plans.

As for me, while I spoke of my motivation in the last article, my means of designating a bequest to LEA was also quite simple. I have a separate and distinct SEP IRA account which is left over from my time as a consultant and I have designated LEA as a beneficiary on that account. LEA gets the appreciated value and my kids do not have to pay the income taxes. Beneficiary designation is accomplished via a simple entry through my online brokerage account.

Bob and I are among the first members of the new *LEA Lakes Legacy League*. Since publication of the first article in this series, several other individuals have contacted LEA to make Colin aware of their bequest designation. If you too would like to join *The League*, please feel free to

contact Colin. You can choose to receive acknowledgement of your “League” status at LEA’s Annual Meetings, or you can choose to remain anonymous.

Either way, you can take pride in and rest assured of your support for LEA into the future.