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# Welcome!

*Estate Planning Basics in 2022*

May 13, 2022

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## Torrance Memorial Highlight

**Community Open House**  
**Saturday, June 4**  
**10am – 1pm**

**El Segundo Medical Offices**  
**2110 E El Segundo Blvd**  
**(between Nash and Continental)**



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## Types of Planned Gifts

1. **Bequest** – gift through will, living trust or designation in a qualified retirement plan.
2. **Immediate Charitable Gift Annuity** – Simple contract between donor and the Torrance Memorial Foundation whereby lifetime payments are made to one or two individuals.
3. **Deferred Charitable Gift Annuity** – Annuity payments are deferred until a specified date in the future.
4. **Charitable Remainder Trust** – Trust that provides fixed or variable payments to named beneficiaries for life or a specified term of years.
5. **Retained Life Estate** – Gift of remainder interest in home or farm. Donor retains the right to live in the home for life.
6. **IRA Beneficiary** – Naming Torrance Memorial as the beneficiary of your retirement accounts (percentages can be designated as desired)

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## Bequest

### Simplicity

Include language in will/trust: **"I, [name], of [city/state/zip] give, devise and bequeath to Torrance Memorial Foundation [% or amount or description of property] for its unrestricted use and purpose."**

### Flexibility

**You can change your mind, revise, update any time during your lifetime**

### Versatility

**Dollar amount, percentage of estate, specific property**

### Tax Relief

**If estate subject to estate tax, no tax on charitable gift**

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## Resource for Planned Giving

[www.TorranceMemorialFoundation.org/planned-giving](http://www.TorranceMemorialFoundation.org/planned-giving)

- Learn about the different arrangements available
- Plug in some numbers in the “gift calculator” to get an idea of how this type of gift might work for you
- **Download a FREE estate planning kit**
- Contact Sandy VandenBerge at (310) 784-4843  
sandy.vandenberge@tmmc.com



Financial Health articles - [www.torrancememorialfoundation.org/News](http://www.torrancememorialfoundation.org/News)

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## How to Donate to Torrance Memorial Medical Center

### Online

<https://www.torrancememorialfoundation.org/Donate>

### By Phone

Please call Torrance Memorial Foundation at 310-517-4703.

You may charge your gift to your credit card or make a gift pledge.

### By Mail

Check or credit card information to:      Torrance Memorial Foundation  
3330 Lomita Blvd.  
Torrance, CA 90505

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# Estate Planning Basics in 2022

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# Estate Planning Basics for Everyone

**Nadia Antii, MBA, CRPC®**  
**Financial Advisor**



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## Work closely with your legal and tax advisors

### Disclosure

This presentation is intended to be informative and educational in nature. Riviera Wealth Management does not provide legal, accounting, or tax advice. Any estate plan should be reviewed by an attorney who specializes in estate planning and is licensed to practice law in your state.

This presentation is based on internal and external sources that are considered reliable; however, the accuracy and completeness of the information is not guaranteed.

Riviera Wealth Management's view is investment decisions should be based on investment merit, not solely on tax considerations. The effects of taxes are a critical factor in achieving a desired after-tax return on your investments. You should direct specific questions on taxes, as they relate to your situation, to your tax advisor.

Trust services available through banking and trust affiliates in addition to non-affiliated companies of Wells Fargo Advisors



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## Scenario 1: A mistaken beneficiary

- **Marriage ended in divorce**
- **Remarried with two children from second marriage**
- **Updated estate documents**
- **Mistakenly left ex-husband as beneficiary of \$800,000 401(k) and \$200,000 life insurance policy**



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## Scenario 2: Everyday life gets in the way

- **Single parent with a 3-year-old in daycare**
- **Mom has a career, at-home work, and parenting responsibilities**
- **She asks herself: Who will care for my child if I cannot?**
- **Need to develop a plan for her lifetime**



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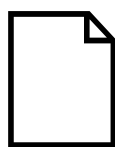


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## Part 1 – Today's Presentation



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4 basic estate  
planning  
documents



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Key people:  
estate planning  
"roles"



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Importance of  
asset titling and  
beneficiary  
designations

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## 4 Basic Estate Planning Documents

1  
Will



2  
Durable Power  
of Attorney



3  
Advance Health  
Care Directive



4  
Revocable  
Living Trust



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## 4 Basic Estate Planning Documents

1  
Will



2  
Durable Power  
of Attorney



3  
Advance Health  
Care Directive



Every adult, regardless of age  
or net worth, should have  
these three basic documents

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## 4 Basic Estate Planning Documents

### Will

- Provides directions about who receives property after death
- Appoints an executor to pay final expenses, pay taxes and distribute property
- Allows you to appoint a guardian for minor children
- Should include an ongoing trust if you have minor children



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## 4 Basic Estate Planning Documents

### Durable Power of Attorney (DPOA)

- Gives someone the power to make financial and legal decisions for you
- Could be immediately effective or only effective in the event of your incapacity
- Allows you to give this power to someone in whom you have complete trust
- Allows you to name both primary and contingent agents



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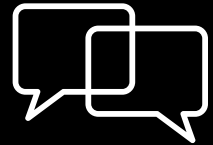
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## 4 Basic Estate Planning Documents

### Advance Health Care Directive

- Expresses your wishes about medical care in the event you cannot speak for yourself (e.g. coma, dementia, etc.)
- Gives someone the power to make medical and health care decisions for you in case you are not able
- Allows you to name both primary and contingent agents



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## 4 Basic Estate Planning Documents

### Revocable Living Trust

- During your lifetime, you are both trustee and beneficiary, and trust is revocable
- Trust becomes irrevocable at your death
- Successor trustee is named
- Trust avoids probate
- Property must be titled in trust name



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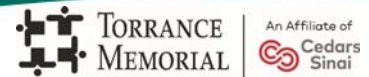
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## Key Estate Planning Roles



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## Key people in your estate plan

**Always name more than one alternate for each role**



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## Key people in your estate plan



- Carries out directions in your will; appointment must be confirmed by probate court
- Only controls property subject to probate
- Also called personal representative in some states

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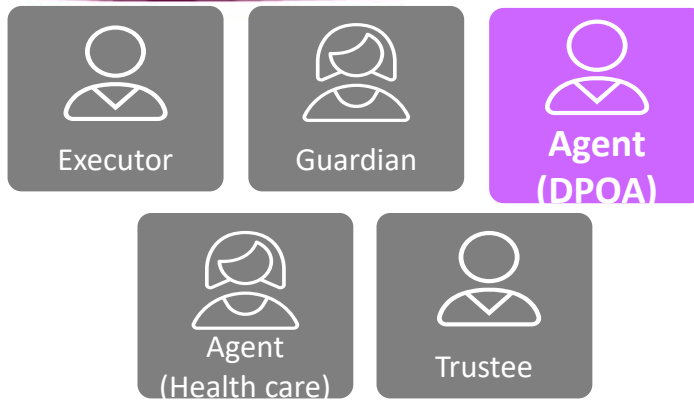
## Key people in your estate plan



- Guardian has personal custody of a minor child (under 18)
- This appointment becomes effective only if both parents die
- Having a will is the only way to name a guardian for children!

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## Key people in your estate plan



- Has authority to make financial and legal decisions for you during your lifetime
- Must act solely for your benefit and in your best interest as a fiduciary
- Also called attorney-in-fact

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## Key people in your estate plan



- Has authority to make medical decisions for you during your lifetime if you cannot express your own wishes
- Covers the entire spectrum of medical care, from routine matters to end-of-life decisions

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## Key people in your estate plan



- When you have a revocable living trust, a successor trustee takes over if you are incapacitated or upon your death
- A trustee can only manage property owned by the trust
- After your death, the successor trustee carries out your directions
- Some trusts exist for a short time – just long enough to distribute all property
- Some trusts continue for a long time

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## Importance of asset titling and beneficiary designations

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## Assets may take different “routes”

Individual  
name  
via  
probate

Revocable  
living  
trust

Beneficiary  
designation

Joint  
tenancy  
to survivor

These routes bypass probate

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## How Asset Titling Matters

Individual  
name  
via  
probate

Revocable  
living  
trust

Beneficiary  
designation

Joint  
tenancy  
to survivor

Executor  
controls

Trustee  
controls

Beneficiary  
files claim

Survivor  
owns

Will  
governs

Trust  
governs

Contract  
governs

Property law  
governs

Distributed  
after probate

Distributed  
per trust

Goes direct to  
beneficiary

Goes direct to  
survivor

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## Assets generally with Beneficiary Designation

- Retirement plans
- Traditional IRAs
- Roth IRAs
- Annuities
- Life insurance
- Transfer-on-death accounts
- Pay-on-death accounts
- Non-qualified deferred compensation plans
- Stock options
- Restricted stock
- Employee stock purchase plans (ESPP)
- Stock appreciation rights, performance shares
- Employee stock ownership plans (ESOP)



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## Summary

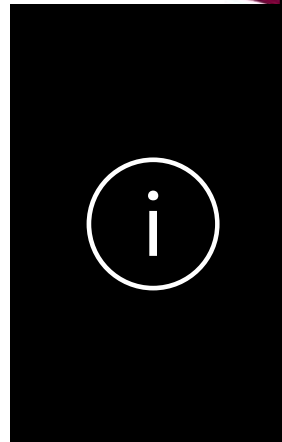
Every adult should have a will, power of attorney (financial) and Advance Health Care Directive.

Choose the right people to carry out your estate plan.

It is extremely important to coordinate your:

- *Documents,*
- *Asset titling, and*
- *Beneficiary designations*

Regularly review your estate documents, titling and beneficiary designations to update for life events and changes in your family.



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## Part 2 – Today's Presentation

### Estate Planning Nuances

Eric Harris, Esq.

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## Estate Planning Shortcuts

- Why can't I put my kid's name on everything (joint accounts and joint tenancy on the house deed) so when I die, everything is automatically owned by my kid?
- Why can't I add my kids directly as beneficiaries on my financial accounts and real estate? (POD/TOD)
- What's so terrible about probate?

POD = Pay On Death / TOD = Transfer On Death

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## What else can a trust do for me?

Aside from avoiding probate and providing preferential tax treatment at death, what else can a trust do for me?

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## Trust Protection

- **Minors and incapacitated beneficiaries**
- **Re-marriage protection**
- **Protection from the pool boy/girl**
- **Flexible incapacity provisions**
- **Neutral trustees**
- **Dealing with high-conflict beneficiaries**
- **Building in checks and balances**

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## Trust Protection (cont'd)

- **Control distributions of the inheritance**
  - ✓ Spendthrifts (I don't have two nickels to rub together)
  - ✓ Young persons (I just inherited money?! New car! New everything!!)
  - ✓ Substance abuse (Can I snort that? Why not?!)
  - ✓ Failure to launch (I just turned 30. Do I really have to leave my life in the metaverse?)
  - ✓ Bad luck (bleep happens)
  - ✓ Risky jobs (doctor, lawyer, business owner)

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## Trust Protection (cont'd)

- **No Medi-Cal long-term nursing home care reimbursement to the State of California**
- **Special needs for developmentally disabled**
- **Special needs for others on SSI/Medi-Cal**
- **Caring for pets**

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## Trust Protection (cont'd)

- **Property tax planning – preserving Prop 13**
- **Tax planning and asset protection planning flexibility**
- **Intergenerational wealth transfer**
- **Benefit charity AND yourself/your family**

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## Ways to Give to Torrance Memorial Foundation

### Common Scenarios Involving Charitable Split-Interest Trusts

- **Highly-appreciated asset and you don't want to pay the tax?**
- **Large retirement plans that must be paid out over 10 years after you die?**

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Thank you!

# Questions?

## Disclosure

*This material is for general information only and is not intended to provide specific advice or recommendations for any individual. To determine what is appropriate for you, please consult a qualified professional.*

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## Follow-up questions

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310-784-4843

[www.torrancememorialfoundation.org/news](http://www.torrancememorialfoundation.org/news)

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