



## MEETING NOTES: August 12, 2020

Co-President **Steve Elefant** called the meeting to order.

Guests included our speaker, Joan Grimes, and former member Gene Wilson who is living in Texas now.

**Thought for the Day:** **Earl Abbe** offered, "The way we think, the things we value are all developed from this cultural inheritance. Of course, our forbearers were not perfect, but then neither are we. They had both good ideas and bad ideas. Our goal should be the keep, to perfect the good ideas and to correct or ameliorate the bad.

One particularly good idea they had was and still is that of representational democracy, implemented through voting in elections. Initially the right to vote belonged only to white, male landowners. Since then that right has been expanded – correctly -- to almost all adult U.S. citizens.

In eighty some days the nation will have an election that will have major consequences on our county and the world. I strongly urge each and every one of you to follow through on this good idea of our forbearers and in November to vote yourselves and to support the right of others to vote also."

### Announcements:

- We are still very involved in accomplishing the goal of eliminating polio. Please send checks for the Polio Project to **Joy**.
- There is a Foundation Board meeting next week.
- You can always find information on upcoming speakers, projects, and events on our website. Additional connections like Rotary International, District and our Facebook page can be found there as well.



**Happy Dollars:** **Jean Dormann** gave while mentioning a wedding dress. Eight-seven year old, **Wolfgang**, talked about his skydiving experience. It proves the adage, "You're never too old!" **Steve Elefant** offered happy dollars as he talked about flying.



## PROGRAM

**Patrice** introduced our guest speaker, Joan Grimes. She is an expert in tax and estate planning. Joan explained that

estate planning is the process of getting organized and creating a plan for your loved ones. The goal is to:

1. Maximize enjoyment of your assets during your life.
2. Create a plan for how your assets are to be managed during incapacity; and
3. Provide for an orderly distribution of assets after your death.

The consequences of failing to plan can result in probate, conservatorship, or intestacy as a default estate plan.



A living trust should contain the following: a pour-over will, a durable power of attorney, a health care directive, assignment of real and personal assets, and a certification of the trust.

There are several questions to ask when setting up a trust. How does one want to hold his/her community property? How do they intend to fund the trust? Will it be with all assets including brokerage accounts, etc.? What things might be excluded from the trust, for example, life insurance?

Taxes are usually calculated at a step up in basis. It applies to brokerage accounts, houses, etc. There are two levels of step up in basis. The first is on death of the first spouse and the second is on the death of the second spouse. Those items that do not get a step up are assets held in a bypass trust, US Savings Bonds, installment promissory notes, profit sharing and IRSA.

There are exceptions to the above regarding health issues. For instance, if you become disabled, you might be able to step away from your present unit with a doctor's excuse and not get a stepped up basis.

When gifting to children, the children take the basis of your original price of the asset while you are alive, but once you die, they get a step up in basis. The issue of gifting is complex, and there are many rules guiding the way. If children take over a unit from you in Rossmoor, it is best for them to keep the current tax basis. There are many consequences for the way you hold title to real estate.

## CALENDAR

Today	10:30 RRF Trustee Meeting 12:00 -Juli Maxworthy, USF – Health Care Simulation...Not for Dummies
Aug. 26	12:00 – Michael Butler – Artistic Director, Center REPeritory Company