

Leaving It All Behind

Spring Weekend Bible School
Oak Grove Mennonite Church
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Life is Short

- **Psalm 90:10, 12 (NIV)** *The length of our days is seventy years-- or eighty, if we have the strength; yet their span is but trouble and sorrow, for they quickly pass, and we fly away... ¹²Teach us to number our days aright, that we may gain a heart of wisdom.*
- We need to number our days
 - It does us well to estimate the days we have
 - How does this perspective impact our thinking?

Life is limited

	Days Lived	Days Left to 70	Days Left to 80
Total Lifetime		25,568	29,220
If you are 20...	7,305	18,263	21,915
If you are 30...	10,958	14,610	18,263
If you are 40...	14,610	10,958	14,610
If you are 50...	18,263	7,305	10,958
If you are 60...	21,915	3,653	7,305

Do you have a "current" will?

- Why bother?
 - Most of us are young and healthy
 - If I do die, I won't have to worry about it
- The statistics speak for themselves
 - 30% of Americans die before retirement age
 - More than 70% of Americans die without a will
 - One certainty: 100% of us will die
- What is our responsibility in preparing a will for THAT TIME when we DO DIE?

What if I die without a will?

- The State has a will made for us
 - Details vary from state to state
- Usually, the spouse gets 1/3 of estate, children get 2/3 regardless of age
- Spouse must report annually to the court on how they are caring for the children
 - Must get court approval for moving and education
- At age 18, the children receive 100% cash payment of estate share
- No one can intervene in their decision-making

What is a Christian's responsibility?

- Whose property and assets are they?
 - They are not "ours", but God's
- What kind of stewards are we if we let the State determine what is done with God's assets He has entrusted to us?
 - NOT faithful
 - Neglecting the guardianship of our children is the worst form of stewardship

The Basics of a Will / Trust

- What should a will or trust include?
 - Asset distribution
 - Guardianship of minor children
 - Durable Power of Attorney for Health Care
 - Advanced Medical Directive
- Each person needs their own will
 - Two wills required for a couple
 - If not, the surviving spouse has less flexibility
- Seek professional counsel

The Options are Many

- Simple Will
- Testamentary Trust
- Revocable Living Trust
- Irrevocable Living Trust
- Charitable Remainder Trust
- Charitable Lead Trust
- In addition, you may need...
 - Living Will or Advanced Medical Directive
 - Durable Power of Attorney for Healthcare

Wills vs. Living Trusts

- | Revocable Living Trust | Last Will & Testament |
|---|---|
| <ul style="list-style-type: none">• Separate entity• More expensive• Eliminates probate• Greater control and flexibility• Requires funding• Privacy• Quick settlement | <ul style="list-style-type: none">• Less complicated• Less expensive• Requires probate• Less flexibility• Public information• Settlement takes much longer |

Is a Living Trust For Me?

- Each situation is different
 - It depends
 - Make decision in consultation with attorney
- Three demographics most likely to benefit with a living trust vs. a will
 - Estate is worth more than \$1.5 million
 - Minor children (under age 18)
 - Mentally or physically handicapped children

Life (Death) Insurance

- Term Insurance
 - Least expensive
 - No cash value
- Whole-life Insurance
 - Most expensive
 - Cash value builds
- Universal Life Insurance
 - Investment based
 - Much higher risk

What does Scripture say...

- **Isaiah 30:1-2 (NASB)** "Woe to the rebellious children," declares the LORD, "Who execute a plan, but not Mine. And make an alliance, but not of My Spirit, In order to add sin to sin; ²Who proceed down to Egypt, Without consulting Me, To take refuge in the safety of Pharaoh, And to seek shelter in the shadow of Egypt!"
- **Matthew 6:33-34** *But seek ye first the kingdom of God, and his righteousness; and all these things shall be added unto you. ³⁴Take therefore no thought for the morrow: for the morrow shall take thought for the things of itself. Sufficient unto the day is the evil thereof.*
- **Philippians 4:19** *But my God shall supply all your need according to his riches in glory by Christ Jesus.*

The Bottom Line

- Dependence
 - In whom do we place our dependence
 - Is a decision to eliminate insurance a result of dependence on God or to increase funds available for increased spending
- Motive
 - What is the underlying attitude or motive?
 - Is it “prudent planning” or “lack of trust”?

Estate Philosophies

- Accumulate
 - Accumulate as much as possible
 - Pass it on to inadequately prepared children
- Spend it
 - Retire and live in style
 - Enjoy the good life
- Die in debt
 - Increases the burden on spouse and/or heirs
- Not much difference between Christians and non-Christians

Who Gets the Estate?

- Children
 - Taught in Scripture
 - Lack of inheritance could mean extreme poverty or slavery
 - In Bible times, inheritance passed only to sons
 - In addition, the oldest son received a double portion
- Incredible wealth is being transferred in this generation
 - More than \$14,000,000,000,000 between now and 2015
- Dynamics of the 21st century
 - Children are financially independent
 - Parents live longer
 - Inheritance is usually a windfall

Andrew Carnegie's Advice

- “The almighty dollar bequeathed to a child is an almighty curse. No man has the right to handicap his son with such a burden as great wealth. He must face the question squarely: will my fortune be safe with my boy and will my boy be safe with my fortune?”
- **Proverbs 20:21 (NIV)** *An inheritance quickly gained at the beginning will not be blessed at the end.*

Who Gets the Estate?

- Grandchildren
 - **Proverbs 13:22 (NIV)** *A good man leaves an inheritance to his children's children, And the wealth of the sinner is stored up for the righteous.*
 - Placing a nominal amount in a trust now will benefit them at retirement
 - This ensures that the grandchildren will have funds in retirement, but does not affect their lifestyle

Who Gets the Estate?

- Charitable organizations
 - Charitable contributions are a wise investment in the future
 - Don't give without thorough research
 - Examine financials
 - Member of ECFA?
 - Independent oversight
 - Volunteer to help the organization
 - No better way to learn, than work for the organization and get a good feel for the

Should we leave a large estate?

- There is no benefit to leaving a large estate
 - How does God view our stewardship when we intentionally accumulate more and more?
- Give it away while you are living
 - \$10,000 per year free of gift tax
 - Disburse assets while alive
 - Observe and make modifications
- John Wesley died leave an estate worth £28 not because of poor planning

In Summary

- Be a WISE & FAITHFUL steward
 - Don't let the State decide for you
 - Seek legal counsel to prepare an appropriate will or trust right for you
- Use wisdom and discretion
 - Consider giving away assets while still living
 - Consider prudence of leaving estate to children / grandchildren
 - Consider giving to a Christian charity
- Be proactive in our stewardship