



## THROUGH MENTORSHIP, POTENTIAL IS IGNITED

The late William D. Ray was only 2 years old when he lost his mother in a gun accident. He was raised for a time in an orphanage before being taken in by relatives to live in an old railway car. By age 12, he was working in the orange groves just to pay his way.

William's early life experiences are not so different from the challenges faced by Big Brothers Big Sisters youth. Like William, they are dealt circumstances out of their control, be it absentee parents, homelessness or poverty. Despite having the potential to succeed, opportunities for them to change the trajectory of their lives are limited.

Following high school, William joined the U.S. Army and became a paratrooper in the 82nd Airborne Division. Because of a mentor he met during his service, William began to see how much he was truly capable of achieving. It was a realization he carried with him as he entered college, established a career in Orange County and became chairman of International Bay Clubs Inc., the parent company of the Balboa Bay Club in Newport Beach.

"What a wonderful thing it would have been for him to have had a Big Brother at some time in his lonely life," wrote William's widow, Beverly. "Luckily, his sergeant saw something in the young recruit and urged him to go to college. What a blessing that Army man was to Bill Ray's life, the first who ever saw him as something more than another mouth to feed."

## A LIFE-CHANGING GIFT TO HONOR A LEGACY

William passed away in 1991, making an indelible mark on Orange County with his business success and philanthropic spirit. To celebrate the role that mentorship played in his life, his estate chose Big Brothers Big Sisters of Orange County and the Inland Empire in 2017 to be the recipient of an incredible gift: the couple's former home in Laguna Beach.

With a mentor to offer a support system in the face of adversity, provide access to educational resources and a vision for career pathways, the thousands of youth served annually by Big Brothers Big Sisters have an opportunity to change the trajectory of their own lives. These children will graduate from high school, build fulfilling careers and become independent, self-sustaining adults — breaking cycles of poverty that go back generations. This is the lasting legacy William has created not only for Big Brothers Big Sisters, but for the entire Orange County community that he called home.

**Named in his honor, the William D. Ray Legacy Foundation allows compassionate donors to meet personal philanthropic goals while also changing lives for our community's most vulnerable children.**

"I honor William D. Ray through Big Brothers Big Sisters with something that meant so much to both of us: his first real home and my greatest treasure, the house of our dreams," Beverly wrote. "I hope it will serve the highest purpose, one Bill would have been part of, making a young man's life much better and more meaningful."



IF YOU'RE INTERESTED IN ...	CONSIDER THIS GIFT	AFTER-TAX FINANCIAL EFFECTS	DID YOU KNOW?
Communicating your ethics and values to your heirs	Charitable bequest	Reduces bequests to heirs by amount less estate tax savings	You may give either a specific amount, or a percentage of your estate to BBBS. Gifts may be targeted to a specific program or unrestricted.
Promoting the active involvement of your children/grandchildren in philanthropy	Donation to a donor advised fund or establish a private foundation	After tax effect to heirs primarily offset in most instances by income tax and estate tax savings	Donor advised fund donations have no upfront costs and the fund will follow your wishes. The effect of current tax deductions and lower estate taxes often means no diminishment of heirs inheritance.
Staying in your house for life but donating the home at death	Life estate	Current tax deduction for remainder value	You can also use the equity in your home to increase retirement income with a charitable annuity while living in your home.
Receiving lifetime income for either a fixed amount or with upside subject to market fluctuation	Charitable remainder unitrust or annuity trust	Current tax deduction for values donated. Some current income untaxed as a return of principal	An annuity trust may raise your retirement income above current yields, and the cash flows can be adjusted over time to suit lifestyle changes.
Avoiding paying capital gains tax on appreciated assets  Witnessing the impact of your gift today	Donate appreciated assets such as stocks or real estate	Current deduction for market value	You may make a bigger impact by donating appreciated securities vs. cash. Appreciated assets can also be used to fund most of the strategies explained herein such as donations to a donor advised fund or a life estate or annuity.
Providing annual charitable donations for a number of years with assets ultimately going to heirs	Transfer income yielding assets to a charitable lead trust	Current deduction for values donated and reduces estate tax as estate is less by donated values	Heirs can receive funds after charitable term either in a lump sum, or over a term of years.
Eliminating confiscatory double taxation on pension/IRA remaining funds at death	Donate IRA/pension	Combined income and estate tax rates may reach 85% for high bracket taxpayers. This drops to zero for a charitable deduction.	As pension remainders can have tax benefits to heirs, you can create a flexible plan whereby your heirs can choose to take pension benefits or other assets and the charity gets what they do not choose.
Repurposing an insurance policy that has outlived its original purpose	Donate an Insurance policy paid up or not	Current deduction for value of policy	You can donate all, or a portion of the policy and either the charity or you may continue to make payments.
Selling appreciated assets for cash/income or both while eliminating tax on cash received and deferring tax on balance	Bargain sale with or without installments	Current deduction for bargain price can be used to offset cash received	This strategy can work with real estate and closely held corporations where a partial gift of the value is desired.
Receiving a tax benefit today for your commitment to a future gift to BBBS	Charitable remainder trust	Current tax deduction for value of remainder	Good idea where current income is needed
Making a lasting impact on programs close to your heart with / without family name recognition	Fund an endowment	Tax benefits depend on structure	You can target or create the special programs most important to you.
Exploring tax efficient gifts with little to no impact on heirs	Let us prepare some personalized alternatives		Every situation is unique and requires skilled professionals for the best results. We can assist in this process.