

Prepared for Spokane Estate Planning Council Annual Seminar

Updated: 5/18/26 @ 2:30 p.m.

Panel Agenda: Bridging the Gap Between "Running a Business" and "Securing a Legacy"

Format: 60-Minute Interactive Segment- Brad Stark, CFP, Moderator @ 2:15pm to 3:15pm on 5/19/2026

Audience: Spokane Estate Planning Council (Advanced integration of Tax, Legal, Banking, Gift Planning)

Segment 1: The Valuation Reality Check (15 Minutes)

- **Goal:** Address how valuation isn't just a formula, but a moving target influenced by operational and tax realities.
 - **For Mike Mumford (Financial Advisor/Valuation):** > *"In Part 1, we touched on basic valuation methods. For Part 2, can you explain the 'Owner Trap'? How does an owner's heavy personal involvement in day-to-day operations specifically discount the actual valuation during a third-party sale?"*
 - **For Ronald Anderson (CPA):** > *"From a tax perspective, we often see a 'tug-of-war' between minimizing income tax today and showing high profitability for a future valuation. How do you advise clients to bridge that gap 3–5 years before an exit?"*
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Segment 2: Exit Strategies & Deal Structure (20 Minutes)

- **Goal:** Compare different exit paths (Internal vs. External) and navigate the technical and legal hurdles of each.
- **For Richard Repp (Attorney) – Modified for General Corporate/Estate Law:** > *"Rick, when a business owner wants to sell, they often look at outside buyers versus selling internally to employees or key managers. From a broad legal perspective, what are the 'make-or-break' structural requirements a Spokane business must meet to be a viable candidate for an internal transfer or employee buyout?"*
- *(Note: If the other panelists want to bring up ESOPs here, they can, but Rick can speak confidently to standard corporate restructuring, management buyouts, and general exit readiness).*
- **For Ronald Anderson (CPA):** > *"Let's talk about the 'Double Tax' trap. For C-Corps vs. S-Corps, what are the biggest tax landmines when a business is sold as an asset sale rather than a stock sale?"*

Segment 3: The Intersection with Estate Planning (15 Minutes)

- **Goal:** Bringing the corporate business valuation home to the family and the legacy.
- **For Richard Repp (Attorney) – Modified for General Estate/Dispute Law:** > *"We often see 'successor friction' when one child is active in running the family business and three others are completely uninvolved. What kind of out-of-court settlement tools do you use to keep these families out of a messy legal battle over the business's value?"*
- *(Note: This allows Rick to talk about equalizing inheritances with other assets, or general mediation tools, while allowing any TEDRA experts in the room to see how the concepts align).*
- **For Mike Mumford (Financial Advisor):** > *"Post-exit, an owner moves from a 'Concentrated Asset' (the business) to a 'Liquid Portfolio.' How do you manage the psychological and financial shift of generating 4-5% from a portfolio vs. the 15-20% return they were used to seeing in their own company?"*
- **For the Whole Panel:** > *"If a Spokane business owner hasn't updated their Buy-Sell agreement in 5 years, what is the #1 risk they are facing right now in 2026 regarding valuation or compliance?"*

Segment 4: Lightning Round / Q&A (10 Minutes)

- **Goal:** Quick-fire, highly practical takeaways for the audience.
- **To Ron (CPA):** *"What is the most overlooked tax credit or deduction that can actually increase the net proceeds of a business sale?"*
- **To Rick (Attorney):** *"What is the single most common mistake you see when business owners rely on 'Handshake' succession plans?"*
- **To Mike (Valuation):** *"What is one internal 'Value Driver' that an owner can realistically improve in just 6 months to bump up their number?"*

Moderator Pro-Tip (Inland Northwest Relevance):

Don't hesitate to weave in the regional shift we are seeing this year. You might phrase it as:

"We've seen an influx of Western Washington and out-of-state buyers looking for 'lifestyle' businesses in the Inland Northwest. Mike or Rick, how are these outside buyers shifting valuation expectations or deal structures compared to local Spokane transactions?"