

Estate Planning Essentials

Avoid the Hassle of Probate



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Agenda

Introduction to Estate Planning Documents

Essential Documents for Every Adult

When You Live a Little: Growing A Family And A Nest Egg

When you Live A Little More: Life Can Change Your Plans

When You Live a Little Longer: Planning For A Lasting Legacy

When Your Plans Become Irrevocable

What is an Estate Plan?

Essential Documents for Your Protection



Advanced Healthcare Directive

A legal document in which you specify what **actions** should be taken for your **health** if you are no longer able to make decisions for yourself.



Durable Power of Attorney

A document that stays in effect if you become **incapacitated** and are unable to handle **financial matters** on your own.



Pour Over Wills

A **will** that **catches** any assets not placed in the trust during your lifetime.



Living Trust

A legal document **created by you** during your lifetime. Similar to a will, a living trust **spells out exactly what your desires are** with regard to your assets, your dependents, and your heirs. Two main types are **revocable** and **irrevocable**.

Documents for Every Adult

Medical Power of Attorney

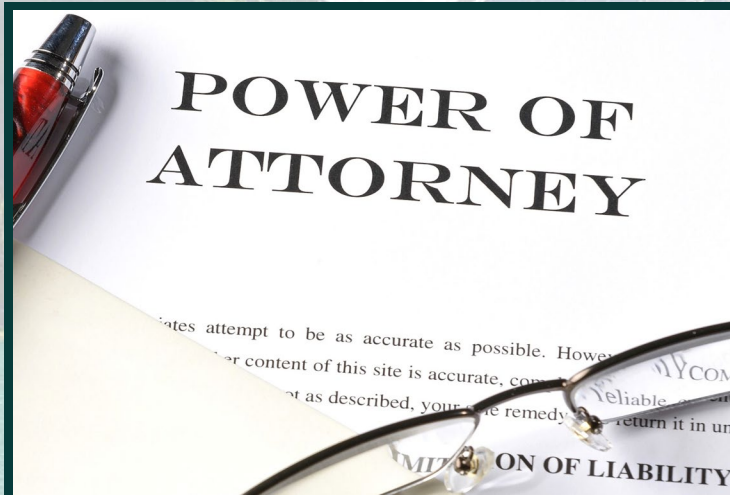
Advance Health Care Directive

- ❖ Document that gives authority to act on your behalf for healthcare decisions
- ❖ Everyone over 18 years of age needs one
- ❖ When it goes into action
- ❖ How to get started on yours now



Documents for Every Adult

Financial Power of Attorney

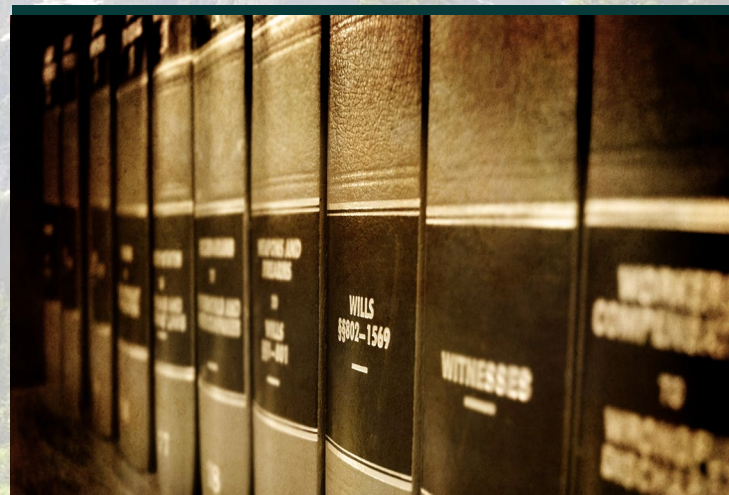


Durable Power of Attorney

- ❖ Document that gives authority to act on your behalf for financial decisions
- ❖ When to get a DPA
- ❖ When it would go into effect
- ❖ How to get started on yours now

Who Needs a Will?

- ❖ Individual(s) with no real estate
- ❖ Individual(s) with an estate of less than \$166,250
- ❖ Parents of minor children



What is the Purpose of Probate?

- To settle accounts with the living
- To settle the accounts of the decedent
- To transfer title from the decedent to their heirs or beneficiaries



Facts on Probate

- ❖ Legal process that follows state rules
- ❖ Often causes lengthy delay in settling the estate
- ❖ Control is with the court, not the family
- ❖ Public proceeding
- ❖ Costs 5%-7% of the gross estate





- ❖ A contract between settlor and trustee
- ❖ Settlor sets the contract terms
- ❖ Trustee carries out settlor's wishes

Testamentary Trusts

- ❖ Created by will and are irrevocable
- ❖ Must go through probate
- ❖ Has trusts for minor children

Living Trusts

- ❖ Created during lifetime
- ❖ Can be revocable or irrevocable
- ❖ Can be used for income tax, estate tax, & gift tax protection



❖ Settlor

- Person who creates the trust and sets the terms

❖ Trustee

- Manages and invests the trust assets
- Must follow the terms of the trust

❖ Beneficiary

- Person/entity named in trust to benefit from the trust assets

Living Trusts

Benefits of a Living Trust

- ❖ Avoids cost and delay of probate (if estate is greater than \$166,250)
- ❖ Protects your privacy
- ❖ Allows tax planning
- ❖ Avoids court-supervised guardianships or conservatorships
- ❖ Ensures your wishes (not the court's) are carried out



A Trust Only Protects What It Owns

- ❖ Any assets outside the trust may still need to be probated
- ❖ Accomplished through use of a Pour-over Will
- ❖ Durable Power of Attorney helps manage financial matters outside of the trust

Pour Over Will

Extra Protection Options



- ❖ Accompanies a trust
- ❖ Names an executor
- ❖ Names a guardian for minor children
- ❖ Can transfer personal effects
- ❖ Transfer remaining assets (outside of trust) to trustee
 - But it must be probated to do so!

When You Live a Little

Who Might Need to Consider Establishing a Plan?

- ❖ Families with minor children or grandchildren
- ❖ Homeowners in California
- ❖ If you have acquired or inherited assets over \$166,250 in value
- ❖ If you want to avoid the high costs and hassle of probate



Establishing a Plan

Creating More Than a Legacy



- ❖ Consider what matters most to you. What do you want to share with your loved ones about your life and legacy?
- ❖ Determine responsible successors & beneficiaries
- ❖ Based on your goals: What are trustee responsibilities and expectations?
- ❖ Discuss and plan these things while you are alive and well!

Establishing a Plan

Creating More Than a Legacy

- ❖ Provisions and instructions you can give them in your plan
 - Spendthrift or substance abuse
 - Remarriage, grandkids, & GST
 - Special needs and benefits
- ❖ Worrying and grieving can make decisions more stressful on the Administrator
- ❖ Establish documents before you need to use them



When You Live a Little More

Special Types of Planning To Consider

- ❖ Life Insurance Planning
- ❖ Standalone Retirement Trust
- ❖ Pet Planning
- ❖ Charitable Trust
- ❖ Firearm Trusts
- ❖ LLC, S-Corp, Estate Planning in Business
- ❖ Rental Property
- ❖ Special Needs Trust
- ❖ Long Term Care Planning
- ❖ Family Constitutions



When You Live a Little More

Review Your Plan As Life Changes

- ❖ Your minor children become adults
- ❖ You become a grandparent
- ❖ Refinance or buy a home
- ❖ Beneficiary begins substance misuse
- ❖ Beneficiary gets married or divorced
- ❖ Successor Trustee becomes ill or passes away
- ❖ Remarriage provisions and losing a spouse
- ❖ Changes in family and/or friend relationships over time



When You Live a Little Longer

Planning for a fulfilling Journey



- ❖ Grandkids turn 18
- ❖ Your family tree grows
- ❖ Share your wisdom and fortune in life so it helps multiple generations
 - Multi-generational planning provisions
 - Family constitutions
 - Legacy planning
- ❖ Long-term care planning
- ❖ Living your golden years with dignity

Reality of Incapacity

What We Know



- ❖ **Not every day is a good day**
- ❖ **Added stress for the family**
 - Maintaining your job, kids, health, and finances
- ❖ **Difficult to adjust to new home life**
 - “I don’t like this” or “I don’t like you”
 - Added cleaning or home care
- ❖ **Often become paranoid or suspicious**
 - Forgetting things
 - “You are stealing my money/jewelry”
- ❖ **Often become unwilling to cooperate**
 - “I’m not eating/doing that.”
 - “I don’t need to be here”

Top Caregiver Concerns

It Takes More Than Love

- ❖ Physical and emotional care is exhausting
- ❖ Who will check mail, pay bills, take care of the property?
- ❖ Increased expenses - utilities, hiring help, vehicle usage, and groceries
- ❖ Adjusting daily life and schedules for family
- ❖ Scheduling appointments, procedures, recovery
- ❖ Dietary needs, restrictions, medication schedules



Elder Care Tips

Maximum Effort and Ability



- ❖ Take care of yourself first
 - Physical fitness
 - Mental wellness
 - Financial responsibility
- ❖ Be realistic and honest with yourself and your family
- ❖ Communication is important
- ❖ Seek professional help when you need it

A Conservator is a Court Appointed Guardian, or Protector, of an Adult Who is Incapacitated

- ❖ Court appoints the “conservator” (caretaker) to care of the “conservatee”
- ❖ In charge of marshalling, protecting, and managing the conservatee’s assets
- ❖ General Conservatorships: adults who cannot take care of themselves or their finances
- ❖ Limited Conservatorships: adults with developmental disabilities who cannot fully care for themselves or their finances
 - Lower level of care required

Conservatorship

When They Can No Longer Care For Themselves

Steps to obtaining a conservatorship:

- ❖ Medical evaluation
- ❖ Witness testimony
- ❖ File petition with the court
- ❖ Pay court fees

Alternatives to a Conservatorship:

- ❖ Advance health care directives
- ❖ Durable Power of Attorney
- ❖ Living Trusts
- ❖ Special Needs Trusts



When Your Plans Become Irrevocable

Planning for A Lasting Legacy

- ❖ Different types of Irrevocable trusts accomplish different goals
- ❖ Planning for long-term care
- ❖ Benefits of irrevocable trusts
 - Tax reasons
 - Remarriage protection
 - A/B Trusts
 - Charitable Giving



When Your Plans Become Irrevocable

Planning for A Lasting Legacy

We want to prevent this:

How a plan can go through probate when it was attempting to avoid it, and what that can do to your estate/assets/legacy

If your plan goes into litigation, it can have a direct impact on your estate/assets/legacy



Documents for every adult

**Planning changes throughout
your journey**

**Plan when you can, and avoid
unnecessary legal situations**



Why Copenbarger Law Firm?

Working with Qualified Professionals



- ❖ Open since 1979
- ❖ 6 full time attorneys, 1 attorney of counsel
- ❖ Over 250 years of combined attorney experience!
- ❖ Certified Specialists in Probate, Estate Planning, and Trust Law
- ❖ 30+ highly qualified support staff
- ❖ 7 office locations + ZOOM
- ❖ Expert referral source
- ❖ Ongoing seminars and events to keep you informed

Booking an Appointment

The Best Time to Start Planning is NOW!

We are here to help!

We would love to hear from you!

We have our team standing by ready to assist with any questions or comments you may have.

We look forward to hearing from you!



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