

Edwards Group LLC

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Your Bucket List: *Estate Planning Style*



A recent movie with Morgan Freeman and Jack Nicholson inspired a lot of people to think about their bucket list – the things they would like to do before

they die. While a trip around the world in a sailboat may seem a lot more exciting and glamorous than estate planning, thinking about what you want at the end of your life financially, and for those you love, can be even more important than achieving your bucket list. Join me as we explore a different kind of bucket list – one that will insure your loved ones, and the things that you’ve worked so hard for, are protected.

What is a trust?

When most people hear the word “trust,” they probably think of families like the Vanderbilts or Hiltons, but trusts are not just for the ultra wealthy. Established during the Crusades in the 12th and 13th centuries to protect the rights of landowners while away on their journey to the Middle East, trusts are still relevant and vitally

important to the work I do everyday in helping my clients achieve their goals. You needn’t be a Rockefeller or a wealthy Englishman to benefit from the level of protection that trusts can offer in our modern life.

Why are trusts important?

I want you to think of a trust as a bucket. And what are buckets good for? They are helpful to put stuff in. When you create a trust, you are in essence creating a legal “bucket.” By placing assets like houses, vehicles, timeshares and farmland into that trust “bucket,” you are insuring that those assets will be managed according to your wishes, which will be written in the trust agreement by you and your legal advisor. Unlike a will, trusts can help protect and manage assets while you are still alive, but disabled in some regard.

How are trusts used?

So, how do you put stuff into the trust bucket? By directing assets into it, such as retitling bank or investment accounts, doing a deed to your house or farm, or changing

(continued on pg. 2)

From Dave’s Desk

Have you ever heard the phrase “stupid tax?” I hate paying a stupid tax, because it’s always something that could have been avoided. Last year, Michelle and I went with my parents to an Illini basketball game in Champaign. After eating at the Ribeye on Neil Street (good food!), I ran through the snow to get the car. As I got to the car, I had a sinking feeling.

I had forgotten the tickets. Thankfully, the box office will reissue forgotten season tickets, but I had to pay a stupid tax of \$5 for every ticket being replaced.



We all get stuck with a stupid tax every now and then. A few dollars isn’t bad as far as a stupid tax is concerned, but when it comes to estate planning, mistakes can be very costly. One of my primary goals is to help you and your family avoid paying any stupid tax by thoroughly thinking through things and planning ahead.

KEEPING YOUR INFORMATION SAFE

Safety is a huge concern for many people these days. Keeping our clients’ information safe and confidential is a big priority at the Edwards Group. In a lot of ways, the innovative technologies that we use help us keep our clients’ information safer than in more traditional firms. Because our clients’ information is primarily scanned and stored electronically, we can safeguard it in



multiple ways with passwords and by only allowing our trusted law firm staff access to the data. We do keep some paper files, but over time that will probably happen less and less. Paper files can fall into the wrong hands and can be lost to fire or water damage. Security of your information is always on my mind, so if you ever have any questions or concerns with regard to this, please do not hesitate to ask me about it!

YOUR BUCKET LIST (CONTINUED)

beneficiary designations on life insurance. For everything that is in the trust bucket, you leave a set of instructions written in the trust agreement. You also name someone to carry out those instructions. That person (or bank or trust company) is called the trustee. The person you choose as trustee to manage your trust “bucket” has a fiduciary duty, which is one of the highest duties in the law, to carry out your wishes and do what is best for you – not what is best for them. They have to act in your best interest. If they don’t act properly, they can be taken to court.

The most important thing for your plan is to think about what you want to accomplish. What are your goals – for yourself and your family? Once we choose the goals (and I help clients do this nearly everyday), then we can see what tools will best accomplish those goals. A trust can often be the best tool to carry out goals such as:

- Avoiding the delay and expense of probate court.
- Transferring assets privately after death. (As opposed to a will, which is a public document.)
- Protecting assets from a divorce or lawsuit.
- Giving clear instructions for managing your money during your disability.
- Organizing assets so someone else can help manage them.
- Protecting assets from being used for nursing home costs.
- Leaving money to someone who is too young or too unwise to handle it by himself or herself.
- Avoiding estate taxes.
- Preventing family fights regarding a family farm or business.
- Balancing the wife and kids in a second marriage.

A trust is just one of the legal tools we at the Edwards Group use to carry out your goals and dreams. Our other tools include wills, powers of attorney, living wills, contracts, and deeds. A trust is one of the best tools we have to carry out your wishes and plan for a time when you might become incapacitated or pass away suddenly.

Remember, a trust is nothing more than a tool. It’s not a magic document. All it can do is carry out the instructions written in it. And the only assets it governs are those you actually put in the “bucket.” Call us today to schedule an appointment and get started on your bucket list!

THOUGHTS ON PARENTING BY ELISA COTTRELL



I signed the kids up for a 1k race the other day. It was supposed to be a 5-mile training run for me, but my husband had a prior

commitment, so I thought, “Why should I have all the fun?” Without asking their opinion, I registered my little sweeties, hoped they would like the “free” t-shirt and started mounting one of the biggest PR campaigns of my life.

Despite my feeling like I needed to really sell getting up early on a weekend morning to go run around as fast as possible, the kids met the idea with a lot of

enthusiasm. Immediately they started talk of training. They even got the 1980’s ankle weights from the basement and started walking around the house with them. We went to the store and bought new running pants.

My daughter, the older cautious one, was really nervous the morning of the race. Her tummy hurt so bad that I was worried she wouldn’t be able to race. Figuring it was just nerves, I encouraged her to try it. I stretched with them and waited by the starting line, helping them know what to expect, trying to give them courage for this unknown thing they were about to tackle.

Cason insisted that I run the race with them. She was too nervous to go by herself, so I prepared to run

the Kids’ 1K, pretty sure I would be the only 36-year old in the race. The race started and Cason took off at the front of the pack, never looking back. I was there trying not to trample the other children, feeling unnecessary and rather silly, following behind, but she never needed me. She ran the whole way and finished with the front pack. I missed watching her at the finish line, but I still celebrated with her.

As usual, I couldn’t help but reflect on the race and life. We as parents are here to encourage our children to explore the world, learn and see new things. We give them courage and confidence, but ultimately it is up to them to take off without us, doing their best, finishing well, knowing that if they need us, we are never far behind.

DO YOU HAVE TRUST ISSUES? ONE FAMILY'S TRUE STORY



When John Meier* died, he thought he had taken care of everything, including his wish for his two children to share the lakefront property he had owned for over 50 years. Unfortunately, sometimes, wishes don't come true.

The traditional will his family lawyer helped him draw up stipulated that his

two children should share the property that he had bought after returning to the states from his service in World War II. A highly decorated veteran, Colonel Meier had a penchant for orderliness and responsibility. He was a loyal family man, and five generations of his family had vacationed on that same land beginning with his parents, children of Swiss and German immigrants who worked hard in the coal mines of Southern Illinois. He could never have imagined the pain that would result from his seemingly simple request in what, he believed, was a legally binding document.

Immediately upon Meier's death, thinking that to "share" the property meant sharing the money from its sale, Meier's somewhat estranged son sold everything he owned in California and promptly moved into his father's house on the property. Saddled with gambling debt, Meier's son and his wife seemed eager to gain access to the money that would surely come from the estate. They hired their own appraiser, an old friend from high school, who estimated the value of the property at over 2.5 times what it was really worth. Hoping to borrow against his part of the estate, the son tried to take out loans and assumed the property would eventually be sold.

Meanwhile, Meier's daughter, the executor of the will and his constant caregiver as he had aged, understood the non-fiscal value of the property. She knew exactly what her father meant when he said he wanted the land to be "shared." He wanted it to stay in the family and continue to be enjoyed by everyone just as it had while he was alive. She had always imagined retiring to this special place where she grew up, hosting extended family for fishing trips in the summer and watching her grandchildren explore the same woods that she had as a child. She assumed her father's wishes, conveyed in his will, would be carried out. She was wrong.

For more than three years the two sides fought about the property, the son wanting to sell it, the daughter wanting desperately to keep it, trying to carry out her father's wishes. All the while, the estate was drained of any financial resources that could help pay taxes on such a large piece of lakefront property. The financial solvency of the remaining land was in question, and the siblings' relationship with each other completely dissolved. Despite having thought he had done the right thing in preparing a will, John Meier's estate was in total shambles. Lawyers ended up getting most of his money as the fight dragged on, and the land was eventually sold for a fraction of what it was worth, the buildings having stood unused for years.

Just a few months after Meier's son got his way and the land was sold, he disappeared, severing ties with his entire family, leaving a wake of hatred, disgust, and anger in his path.

It is agonizing to think that all of this could have been easily prevented by a simple tool – a trust. With a trust, Meier could have stipulated that by saying he wanted his children to share the land, he literally meant the land, not the potential profit made from selling the land. His dreams and his hard work would still be available to future generations.

Instead, his great-grandchildren, recently born, will never experience firsthand the property their great-grandfather loved so much. All of that is



lost, forever, and a grieving family continues to grieve years after his death every time they hear any mention of the town he lived in, the name of the lake the property sits on, or when visiting the cousins who still own the property next door. It is a wound that will not heal anytime soon, and it was all preventable.

Be sure to turn your "wishes" into reality by preparing properly for the inevitable. Don't leave your family "wishing" you had done something more after it is already too late. **Contact Lynn and reserve a spot at one of our free Truth About Estate Planning workshops today.**

*The name of the family and some details have been changed.



Exciting New Changes Coming Soon!

First, I would like to say thank you for all the good wishes about the Edwards family's **new arrival**. And, yes, if you haven't already heard, Michelle and I are expecting a new addition to the family around September 20! Bailey can't wait to be a **big sister**!

Stay tuned!

Watch your email inbox and real mailbox for information about the release of our **new web site**. We are working to provide you with more information about estate planning and great content that will help you plan better and more effectively protect your family. We hope the website can be a **great resource** for you and the entire Springfield community.

Also, some other exciting changes will be coming **later this Spring**! We will be **expanding** the ways in which we can help families protect their wealth, so be sure to get on our mailing lists one way or the other!

It is a great privilege serving you! Thank you for placing your trust in us.



Upcoming

Truth About Estate Planning Workshops

Thursday,
April 8 at 1:30 p.m.

Tuesday,
April 20 at 9:30 a.m.

Tuesday,
May 11 at 1:30 p.m.

All workshops will be held in the Community Room at Edwards Group offices.

RSVP at (217) 726-9200,
lynn@edwardsgroupllc.com, or
online at
www.edwardsgroupllc.com.

Who do you know that needs to attend one of our workshops?



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