

LIFETIME GOALS

1. Steady lifetime income

- Assure sufficient income through lifetimes of both spouses
- Minimize taxes, risks, and other drags on accumulated wealth
- Protect assets from lawsuits and nefarious claimants

2. Provision for the management of assets in the event of disability

- Smooth transfer of decision-making ability to trusted individual
- Confidence that powers will be granted when needed (no legal or administrative snafus)

3. Provision so health care wishes are carried out

- Family conversations regarding end-of-life care have begun
- Health care agent has flexibility within parameters specified on advance directive

4. Plan for long-term care

- Sufficient funds are available to pay for it
- Family caregiving issues have been considered
- Guardianship or conservatorship proceedings are avoided

5. Funding for family members' goals: college, home purchase, business startup

- College
- Home purchase
- Business startup

6. Achievement of charitable objectives

- Have an impact on favored causes
- Coordinate charitable giving with other financial goals

7. Preparation of beneficiaries for inheritance

- Instill spirit of wealth accumulation and preservation
- Educate on financial concepts and how to manage money
- Encourage philanthropy and responsible spending

8. Passing on wisdom and values

- Identify legacy, or how client wants to leave mark upon the world
- Ensure that family stories and memories are passed on to future generations

“Shirtsleeves to shirtsleeves in three generations.”

—Proverb implying that fortunes earned by one generation are often lost within two generations.

“I believe in giving my kids enough so they can do anything, but not so much that they can do nothing.”

—Warren Buffett

AFTER DEATH

9. Sufficient income for survivors

- Surviving spouse has sufficient income through remaining lifetime and is able to manage finances or get help
- Minors or children with special needs are provided for

10. Minimized taxes and expenses

- Utilize legal planning mechanisms to reduce taxes and expenses
- Assure that all debts and obligations can be paid with funds that are readily available to the estate
- Ensure that IRA beneficiaries know how to take distributions in a tax-advantaged manner

11. Smooth transfer of assets at death

- Proceedings are kept private
- Expense and delays of probate are avoided

12. Assets transferred to family members according to wishes laid out during lifetime

- Distribution to children, grandchildren, or other heirs is fair or equitable as desired
- Distributions are structured based on the needs and capabilities of beneficiaries
- If desired, provisions are made to prevent certain family members from inheriting assets
- Funds are earmarked for college or other needs for children or grandchildren, whether or not they have been born

13. Continued management of inherited assets

- Professionals are in place to assist beneficiaries with the management of assets
- Investment vehicles, such as annuity contracts, remain in force for new owners

14. Continued support to favored charities

- Endowments or trusts are established to meet charitable as well as family goals
- Beneficiaries continue the family's charitable traditions on their own

15. Avoidance of family strife

- Careful planning went into the selection of beneficiaries and distribution of assets
- Beneficiaries understand the thinking that went into the estate plan and are clear about the motives of the deceased

THE GENERATIONAL PLANNING TEAM

Members of the generational planning team

- Financial advisor
- Estate planning attorney
- Accountant
- Life insurance specialist
- Real estate agent
- Business advisor
- Trust administrator
- Geriatric care manager
- Philanthropic advisor
- Family therapist or coach

Collaboration among team members

Characteristics of effective collaboration:

- There is an integrated plan encompassing all disciplines: legal, tax, financial planning, investments, insurance, philanthropy
- The client authorizes the collaboration
- A team leader facilitates meetings and follows up on assignments
- Team members communicate frequently among themselves
- Communications with clients are coordinated
- Each team member trusts the motives and professional competence of the other team members
- The best interests of the client are held paramount

Benefits of collaboration

Client benefits

- Better advice
- Less expensive
- Greater overall satisfaction
- More confidence to act

Advisor benefits

- Harmonious working relationships
- Higher implementation rate
- Client loyalty
- Referral business

Multidisciplinary, goals-based, collaborative estate planning

Wrong way

- Solution in search of a problem
- Too much jargon
- Discrete actions by individual professionals not coordinated
- No checks and balances; mistakes are made
- Too little attention paid to impact on life of the clients and their family

Right way

- Extensive work done to discover client needs and goals
- Strategies explained from client's point of view
- Timing and execution of strategies are coordinated
- Careful review and cross-checking avoids mistakes
- Impact on the family is paramount

"It is literally true that you can succeed best and quickest by helping others to succeed."

—Napoleon Hill



Jim Lorenzen, CFP®, AIF®

Founding Principal

The Independent Financial Group

By Appointment Only
2655 First Street, Suite 250
Simi Valley, CA 93065

805-265-5416 x 1

Jim@indfin.com
indfin.com



Jim Lorenzen is a CERTIFIED FINANCIAL PLANNER® professional and an ACCREDITED INVESTMENT FIDUCIARY® providing private client wealth management services since 1991. The Independent Financial Group is a registered investment advisor also licensed for insurance as an independent agent under California license 0C00742. The Independent Financial Group does not provide legal or tax advice and nothing contained herein should be construed as securities or investment advice, nor an opinion regarding the appropriateness of any investment to the individual reader. The general information provided should not be acted upon without obtaining specific legal, tax, and investment advice from an appropriate licensed professional.

Jim's background includes founding, building, and selling five successful businesses and international consulting; has been headline speaker at more than 500 national and international association and corporate conventions for clients such as Foster Grant, Hobie Cat, CapCities/ABC, H.R. Textron, Hearst Corporation, The National Management Association, the National Newspaper Association, and Cox Communications, as well as scores of state, regional, and national conventions; featured on American Airlines' Sky Radio heard on more than 19,000 flights, as well as in The Wall Street Journal's SmartMoney magazine, The Profit Sharing Council of America's Insights; also published in the Journal of Compensation and Benefits, NASDAQ, and in scores of national and international association trade publications.

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