WILLS, TRUSTS AND ESTATE PLANNING BASICS
WRITE A WILL MONTH MESA COUNTY FUNDRAISERS NETWORK
MARCH 2019 PRESENTERS:
GREGG KAMPF, HOSKIN FARINA & KAMPF, PC
MARSHA HARBERT, TWO RIVERS TRUST CO
ERICA ENG, COMMUNITY HOSPITAL
DEB HORWITZ, HOPEWEST
Gregg Kampf, Counsel, Shareholder
Hoskin, Farina & Kampf

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Gregg has his degrees in business finance and law, both from the University of Colorado in Boulder. He was a law clerk for one year for Chief Justice Edward E. Pringle of the Colorado Supreme Court. He has been a lawyer with the Grand Junction law firm of Hoskin Farina & Kampf for 43 years. Gregg has extensive experience in estate planning, trust and probate law and assists business owners in their structure, financing and real estate arrangements.

Gregg is a member of the American College of Trust and Estate Counsel (ACTEC), and the Mesa County and Colorado Bar Associations. He has been active in many community organizations and is the recipient of the 1995 professionalism award from the Colorado Bar Association.

Marsha Harbert, President, Senior Trust Officer,
Two Rivers Trust

marsha@tworiverstrust.com
970-628-1943

Marsha has 12 years of experience as a trust administrator and officer and is a Certified Trust and Financial Advisor (CTFA), Registered Paraplanner, and a certified paralegal. She is a graduate of Governor’s State University, University Park, IL. Her areas of expertise include trust administration, portfolio management, and estate planning.

She is married to husband Andrew and together they have five children; Andrew, Daniel, Dustin, David, and Anne-Marie, and one grandson, Ty. Originally from Arkansas, Marsha has also lived in Germany, Hong Kong and Chicago. She is a member of the Grand Junction Kiwanis Club and the Colorado West Estate Planning Council.
PRESENTERS

Erica Eng, Director, Patient Experience, Community Hospital
eeng@gihosp.org
970-644-3154

Erica is the Director of Organizational Development and Patient Experience at Community Hospital. Erica began employment with Community Hospital in 2001 and has served as the Patient Advocate and the Director of Education. She works with clinical and non-clinical education programs and leadership development, as well as the chaplaincy, patient advocacy, and ethics programs.

Erica has served on the Advance Care Planning Task Force since 2007. The Task Force is made up of representatives from Saint Mary's, Community, HopeWest, the Department of Human Services, Hilltop, and other nonprofits that collaborate to educate the community about advance care planning.

Debbie Horwitz, V.P., Chief Development Officer, HopeWest
Dhorwitz@HopeWestCO.org
970-257-2365

Debbie joined HopeWest in January 2010, bringing with her more than 20 years of nonprofit and business experience.

Debbie joined the board of directors of the Western Slope Center for Children, The Performing Arts Conservatory and The Mesa County Medical Society Alliance. She was the Director of the March of Dimes for the 6 years prior to working at HopeWest. She earned her BA at the Elliot School of International Affairs and her Master’s degree in Business from The George Washington University.
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ESTATE PLANNING MYTHS

Myth 1: My estate isn’t big enough to require planning

Myth 2: An estate plan is all about property and belongings

Myth 3: Probate is an estate planning nightmare to be avoided at all costs

Myth 4: I can disinherit anyone I choose during the estate planning process

Myth 5: Taxes will decimate my estate

Myth 6: It is all about death and taxes
John and Sally are nearing retirement. They do not have any children, and no immediate family. They have been successful in their careers and have accumulated approximately $2MM in assets. Half of their assets are in retirement accounts (401(k) or IRAs).

Many of their friends are telling John and Sally they need a trust. Most of their friends have kids, and some of their friends are divorced and remarried. They are confused about how they should set up their estate plan. Charities have always been important to them, and they want their estate to go to philanthropy.

• What would be the best/simplest estate plan for John and Sally?
• Why not a trust?
• How can they leave their estate to a charity?
• Do they have to worry about death taxes?
DO I NEED A WILL, OR A TRUST, OR NOTHING AT ALL?

It is best to have a will. In most cases, this will suffice.

A trust may be preferred...
- With blended families
- For families with a member of special needs
- To address concerns regarding “natural” heirs
- When real estate is owned in multiple states
Susan is a retired teacher in her late 70s. She is divorced with three children. Susan owns her home (approximate value is $250,000) and has a modest nest egg in a savings account with her local bank ($500,000). She receives a pension from teaching and a small amount of social security from her ex-husband. She keeps a close tab on her budget.

Susan’s middle child, Rachel, is addicted to drugs and alcohol. Rachel has never held a job for more than a few months, has been arrested and makes poor financial choices. Susan is concerned that if Rachel inherited any money, it would not last long and only contribute to her addictions.

She doesn’t want to burden her other two children with the care of their sister, and she doesn’t want to have her children settle her estate. She doesn’t have anyone else to serve as her Personal Representative/Executor of her estate.

• How can Susan protect Rachel with Rachel’s share of her inheritance?
• Who could serve as Susan’s Personal Representative/Executor, since family wouldn’t be a wise choice?
• Does Susan need a trust?
THE PROBATE PROCESS

Probate is the process to handle assets when no beneficiary is (appropriately) named:

• File petition with Court to appoint Personal Representative
• Collect assets
• Notify creditors
• Pay debts and any taxes
• Distribute remaining assets
• File with Court to close the estate
FUNDAMENTAL ESTATE PLANNING DOCUMENTS

- Financial Power of Attorney
- Medical Power of Attorney
- Living Will
- Will
- Revocable Living Trust
KEY PEOPLE IN AN ESTATE PLAN

- Agent – Medical Power of Attorney
- Agent – Financial Power of Attorney
- Personal Representative
- Guardian
- Trustee

Always name at least one successor for each role.
Jack and Pam have been married for over 50 years and have four kids and eight grandchildren. They had a small retail shop in town and sold it several years ago. They consider themselves blessed with enough money to live comfortably in retirement. All of their kids are doing well and grandkids too. Life is good.

Jack and Pam set up their estate plan after their children were out of the house and married. Now they want to revisit the plan and goals with their local attorney. Not a lot has changed.

Just before their appointment with their attorney, Jack finds out he has stage 4 colon cancer. Pam is nervous and concerned what will happen if Jack dies.

At their estate planning appointment, Jack and Pam discuss Jack’s recent diagnosis. While they do have Medical Durable Powers of Attorneys, they ask about having medical directives. What will they do if one or the other becomes incapacitated or on life support? They review the forms available to them and come up with a plan.

A few weeks later, Jack’s health has turned for the worse and he is in the ICU, not expected to survive long. Jack did not want to be kept alive on life support, and as Pam and the kids gather around his bed, no one can make the decision to terminate his care. The dilemma.

What should the family do?

What happens to Pam after Jack passes away?
## HOW ASSET TITLING MATTERS

<table>
<thead>
<tr>
<th>Probate</th>
<th>Avoids Probate</th>
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<tbody>
<tr>
<td>Individual Name</td>
<td>Revocable Living Trust</td>
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<tr>
<td>Personal Representative</td>
<td>Beneficiary Designation</td>
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<tr>
<td>will governs</td>
<td>Joint Tenancy (with right of survivorship)</td>
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<tr>
<td>Distributed after probate</td>
<td>Beneficiary Deed</td>
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<tr>
<td>Trustee controls</td>
<td>Trustee governs</td>
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<tr>
<td>Beneficiary files claim</td>
<td>Contract governs</td>
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<tr>
<td>Grantor’s death</td>
<td>Distributed after probate</td>
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<tr>
<td>Goes directly to beneficiary</td>
<td>Distributed per trust</td>
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<tr>
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<td>Goes directly to beneficiary</td>
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<tr>
<td>Goes directly to beneficiary</td>
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</tbody>
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Charitable gifts can be done very simply

- Let attorney/trust manager know of charitable intention
- Favorite organizations can be named as beneficiaries on financial instruments (can take less than five minutes)
- A will or trust can provide for gifts to favorite organizations at a designated time
- Letting the charitable organization know of the intent

Bequest and similar gifts provide an honoring legacy for the donor/family, and ensure sustainability and long-term impact for organization

Charitable gifts may provide financial/tax advantage to the donor/family
KEY POINTS SUMMARY

Every adult should have a Will, Financial Power of Attorney and Medical Power of Attorney

- Most will want a Living Will
- Some will need a Revocable Living Trust

Choose *the right people* to carry out your estate plan

- Must be named
- Always name successors to your key people

It is extremely important to coordinate asset titling and beneficiary designations
THANK YOU FOR ATTENDING!
PLEASE FILL OUT EVALUATION FORM.
FEEL FREE TO TALK FURTHER WITH THE ADVISORS HERE TODAY:

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MARSHA HARBERT, 970-628-1943
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