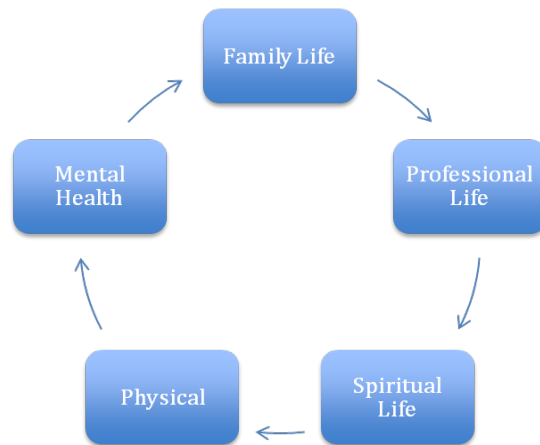




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It is Important for Everyone to do Estate Planning, not JUST the Wealthy

“There is no such thing as a plan, just planning...” Sky Kurlbaum, 2011



1. Life’s timeline, getting a perspective on where you are and where you are going...
 - a. The “life timeline” exercise. Draw a line and divide it into 10 increments representing each 10 years of your life. Assume you live to age 100. Life is not static.

Dependent on Others

- i. Childhood. Ages 1 to 10, you are totally dependent on someone else and all planning is done for you.
- ii. Adolescence. Ages 11 to 20, transitioning from a child to an adult. Now, you begin planning for your future by completing your early education and going to college.

Others Becoming Dependent on You

- iii. Early Adulthood. Ages 21 to 30. You are completing your education, starting a job getting married and perhaps starting a family.
- iv. Early Middle Age. Ages 31 to 40. Still pursuing your profession, growing/raising your family, accumulating wealth.
- v. Later Middle Age. Ages 41 to 50. Pursuing work; raising kids and teenagers.
- vi. Mid Life. Ages 51 to 60. Still pursuing work; raising teenagers and kids in college. Weddings.

Becoming Dependent on Others

- vii. Early Senior Life. Ages 61 to 70. Kids are grown and raised. Grandchildren may be coming along. Looking to wind up working life.
- viii. Golden Days. Ages 71 to 80. Still active and enjoying the good life. No more work for you. Enjoying many of the same things you did when you were younger but physical activity slowing down.

Dependent on Others

- ix. Later Senior Life. Ages 81 to 100. Physical activity much less but still enjoy getting around to family events, the ballgames and having friends. May be in need of assisted living.
- b. Part of this exercise is to make you stop and think about the fact there is a finite time line to your life.
 - c. This doesn't have to be a grim exercise.
 - d. Think in terms of how to get the best out of each decade of your life and how to plan for each stage of life..
 - e. As you age, not only do your circumstances change, but also the circumstances of others dependent upon you. Life is not static.
 - f. "Life is what happens, while you are making plans." John Lennon.

2. What is a person's "net worth"...really...

- a. People think in terms of their financial assets, like cash, IRAs, 401ks, home, etc. Yes, important.
- b. But it's much broader and includes:
 - i. Intellectual capital (investment in education of self and family);
 - ii. Spiritual capital (investment in spirituality);
 - iii. Family capital (investment in family—"quality time");

- iv. Relationship capital (investment in the relationships around you);
 - v. Health capital (investment in your personal health and those around you).
 - vi. Mental capital (investment in your good mental health—hobbies, fun, excitement, adrenalin rushes...)
- c. Despite “multi-tasking”, no person can truly be “in the moment” two places at one time.
 - d. Take stock of all that is important to you, and realize, time spent on one of these in lieu of another is still time well spent. Don’t feel guilt when at the kid’s recital instead of the office. Both are important to you and build personal capital.
 - e. Like clutter in your home, life can become full of clutter. Regularly get rid of it—things that take up time but do not build on one of your life’s important areas of activity.

3. Life’s toolbox...

- a. Strategies/techniques/documents one can use in achieving peace—“no worries”

- i. Organization and Keeping Score

- 1. Being organized reduces stress. Period.
 - 2. Keeping score means keeping track and measuring progress.
 - 3. Scheduling planned activities around your short and long term goals allows ultimate achievement of the things you consider important.
 - 4. Series of short terms ultimately become the long term.

- ii. Starting early

- 1. Time can be a friend or foe. Younger people have a tool more powerful than forces of the universe. Time and future. Time for their investments to grow. A future to chart courses of behavior.
 - 2. Never too Late. But, truly, it’s never too late to change outcomes. And, older persons often have more resources than younger ones to work with.

- iii. Thinking about Money

- 1. Money is a tool to be used. Not hoarded and kept in your tool box.
 - 2. The difference between “checkbook thinking” and “balance sheet thinking”...
 - 3. As you age, think “Sources and Uses” as opposed to “Income and Expenses” in your personal cash flow management...

- iv. Taking care of yourself

1. Personal Financial Short Term Tracking and Auditing
 - a. The personal financial checkup
 - b. 30 day Sources and Uses projections with 90 day projections
 2. Durable power of attorney for financial decisions (incapacity).
 3. Durable power of attorney for health care (incapacity).
 4. Living Will (incapacity).
 5. HIPPA Authorizations (incapacity).
 6. Health Insurance.
 7. Disability Income Insurance.
 8. Property and Casualty Insurance.
 9. Long-term care insurance.
 10. Retirement funds (savings, IRAs, 401ks).
 11. Business continuity plans (if you own a closely held business).
 12. Personal Wealth Protection from Potential Claimants
 - a. Exemptions
 - b. Inheritance Trusts
 - c. Domestic Wealth Protection Trusts
 - d. Pre-marital Agreements
- v. Taking care of others
1. Life Insurance
 2. Mortgage Insurance
 3. Will (pourover)
 4. Trusts
 - a. Avoid probate proceedings

- b. Management of Assets
 - c. Special Needs Planning
 - d. Family “love letter”—babysitting instructions
- 5. End of life instructions (Caring conversations)
- 6. Burial instructions and Pre-need contacts (this keeps others from having to do this for you)
- 7. Estate and Gift Tax Planning
- 8. Charitable Gifts