

WHAT IS ESTATE PLANNING?

Estate planning is probably one of the most difficult areas of financial planning for people to focus on. It is about providing for others – your family, your business partners, charity – and deals with the final chapter in your life. The questions you need to ask yourself, and the decisions that must ultimately be made, are indeed difficult ones. But consider that these decisions are related not to if but rather to when.

You don't need to be rich to do estate planning. Anyone with a few assets and a family has an estate. Your estate consists of everything you hold or own title to, such as your home, bank account, stocks, bonds, mutual funds, real estate, business interests, pension plans, insurance policies, car, jewelry, art and coin collections, and other personal items. Whatever the value of your estate, simple steps can help to ensure that who you want to benefit does. It's amazing how keeping the government out of one's personal affairs is a personal motivator!

One of the keys to an effective estate plan is to be as straightforward as possible so your executor, beneficiaries, and trustees don't have to guess at what you intended. A proper estate plan addresses all of the issues relevant to your personal situation and priorities, and could include:

- Meeting your financial needs for the rest of your life.
- Protecting yourself in case you become unable to manage your own affairs.
- Documenting who will receive what after your death.
- Appointing your executor to administer your estate.

- Providing direction to your family regarding your wishes for medical treatment, organ donation, and funeral arrangements.
- Ensuring that your family will be able to manage financially after your death.
- Choosing who will look after your children.
- Protecting the interests of the children from a previous marriage.
- Planning so your business can survive without you.
- Saving your estate thousands of dollars in fees and income taxes.
- Ensuring that your beneficiaries receive the full value of their inheritance as smoothly as possible.
- Planning charitable donations.

Estate planning is not something you do at the end of the day. Rather, it should be part of your ongoing financial strategy. Like any financial plan, your estate planning requires periodic tune-ups to keep it effective. When it comes to estate planning, it is better to be too early than too late!

If you are interested in seeking counsel with Rhona Konnelly, CLU, EPC, CSA for an "estate planning review", please feel free to get in touch with her, at 778-895-6495.

Next Issue: "Estate Planning Series Continues"

The information provided above is just one of the many ways you can provide a significant gift to your favourite charity. Please talk with a professional advisor to see what options are best for you.