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www.MyTrustee.net

LORENZ
FIDUCIARY SERVICES
"The Best Team for Your Trust"

Mission Valley Office
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Orange County Office
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Annual Update

Autumn 2018

We are delighted to connect with you!

You are receiving this newsletter either because you have named us in your estate plan, or you are a trusted professional colleague. Inside this update, you will find some suggestions for you to consider. We enjoy being kept up-to-date by our clients, as this helps us to be prepared to serve as quickly as possible in the event of incapacity, resignation, or death. We are aware that we have been named to serve many clients for whom we do not yet have documents on file. We ask our colleagues to consider the benefit to the client of letting us know that we may be asked to serve sometime in the future, especially if an emergency strikes. We offer a "Get Acquainted" 15 minute call at no charge to clients who would like to get acquainted with their successor trustee. Feel free to give us a call if you have any questions or concerns. Tara and Melanie are at the ready: 877-630-8448 · LFS@MyTrustee.net

Saying Goodbye With Love

Our hearts are heavy as we say goodbye to Jane Lorenz, our founder, mother, friend, and mentor. Jane passed away at home, surrounded by loved ones, in September 2017. She will be forever missed for her wisdom, warm hugs, and dazzling smile.

We are grateful to Jane for all she accomplished as a pioneer in the fiduciary industry, and as a leader in the estate planning community. Jane was kind and loving to everyone she met. When asked for her advice, Jane said, **"Love as much as you can."** She thoughtfully planned ahead, paving the way for our team's bright future. For more about Jane and her legacy, please visit: https://www.mytrustee.net/jane-b-lorenz.html

We have successfully transferred most of her cases to her successors, and we plan to continue our work based on her values and high standards. A few of her cases required court approval, and this transition should be completed soon.

If you named Jane Lorenz in your documents, with no other successor listed, please contact your attorney to update them. If you have named only one successor, we suggest an update, and we hope you will consider naming at least three successors going forward. We never expected to lose Jane so soon. A surprise like this should never be followed by difficulties in a trust administration due to having no named successor, nor a provision to replace a trustee or agent.

Lorenz Staff News

Joe McMackin, Noah Benton, Marguerite Lorenz, Clay Spiegel

Marguerite continues to enjoy her work as trustee, and she is working to grow the Estate Planning Group Network. She also has several speaking engagements scheduled through next summer. She, and her husband, Ken, enjoy quality time with their six adult sons, and enjoy living in Temecula.

Clay led us through a very busy tax season while taking on some challenging cases. He, and his wife, Colleen, have welcomed their third child, a beautiful baby girl to the family!

Noah and his wife, Jill, welcomed their second boy to the family! Noah has taken on some very interesting cases, and is enjoying his work.

Joe McMackin joined our team in early 2018, and is a California Licensed Professional Fiduciary. He, and his wife Marissa, along with their four kids, are enjoying their new home.

Each of us loves the work we do, our staff does a great job, and we appreciate all the love and support our families give us.

The Work

Over the years, our team has been responsible for over $1 billion in assets including commercial and residential real estate, various alternative investments, vehicles, stock portfolios, fine art, antiques, jewelry, and much more. We strive for accuracy and completion in every case, whether it is a trust administration, estate settlement, executor/administrator, probate, or conservatorship. We manage many ongoing trusts and estates, and we are ready for immediate work.

If you know of someone who may want us to serve as Trustee, Agent, or Conservator, please ask them to call 877-630-8448. They will be offered a phone appointment, at no charge, so we can get acquainted and answer their questions.

Connecting with the Trustees

Thanks so much for your flexibility in scheduling. Phone appointments allow the trustees to give you their undivided attention. We look forward to getting to know you, your vision for the future, and your values. Melanie is our concierge and the one to talk with to arrange your phone appointment (877-630-8448) with one of the trustees. The information the staff and trustees gather is kept confidential. Once you have named us in your documents, you are welcome to call or email to provide us with updates. No matter which staff member you speak to, please know that we make every effort to get your message to the correct department.

Melanie

Moving to a new home, changing financial institutions, or updating your documents are just a few of the occasions to update your successors. When in doubt, give us a call. We love hearing from you!

From time to time, clients ask us for the personal information of the trustees (dates of birth, social security numbers, etc.) to fill in forms at financial institutions. We do not provide this information until we are actively serving in our fiduciary capacity as Trustee, Executor, Agent under the Power of Attorney for Finance, or Agent for Health Care.

Once we are actively serving, we provide this information directly to the financial institutions that require it as part of the process of becoming responsible for your assets. We are aware that a few institutions are rather insistent about this information, and we have a prepared letter you can send to the institutions if the need arises. Melanie and Tara are available to assist you.

Love comes in all shapes and sizes...

Charlie has grown quite a bit over the last year. He is the family dog of Clay and Colleen, and he charms each of us every time he visits the office.

If you have pets, please be sure to keep us informed about them (name, age, medical needs, care concerns, etc.). You may have a veterinarian, whose contact information should be provided to us, or you may have a plan as to who will look after your beloved pet, when you can no longer do so yourself. We welcome whatever information you would like to provide (and we love photos!).

Speaking of loved ones, please provide us with the contact information for each of your beneficiaries (thank you for making your trust administration more efficient!):

Name, Address, City, State, Zip Code, Phone, and Email Address

Estate Plan Update – Your Information is Needed for Our Files

Tara is the team member responsible for organizing the information you send us, and who makes our "*Hello, how are you?*" calls. When we receive new estate planning documents, Tara sets up your file and creates your emergency notification packet (wallet cards and refrigerator magnet with the names and phone numbers of your 1st and 2nd agents for health care). We have tasked Tara with making sure your file is accurate, and she may call you to ask further questions.

Tara

From time to time, it is wise to update us on your current situation, and you may want to send us copies of bank/brokerage statements, IRA/Insurance Beneficiary Designations, etc. How much detail you provide to us is completely up to you; we always welcome your information. It is smart to make sure we have the contact information of your professionals, family, and beneficiaries. If you are in any doubt as to what you have already provided, please feel free to call Tara. She will let you know what information we have in our files for you, as well as ask for the information we would like to receive.

Please note that while you are welcome to mail or email anything else for your file, we prefer to receive copies of your most recent important documents, not originals. Thank you for taking Tara's calls, as we have asked her to help us keep your file up to date. ClientServices@MyTrustee.net · 877-630-8448

Unclaimed Property Policy

When we begin our work for you (upon your incapacity, resignation, or death), we make every effort to discover all of your assets. We check the State of California's Unclaimed Property website, http://www.sco.ca.gov/upd_msg.html. Please check for yourself, as you may be surprised at what you find.

Our policy is to check this site when our work begins, and once more prior to IRS tax clearance, as it can take a long time for assets to escheat to the state. We do not pursue assets valued at less than $300 due to the costs and time required (a minimum of six months) to collect the asset. Please tell us all you can about all of your assets so we can be thorough.

Suggested Document Language

When you next update your documents, we invite you to discuss this suggested language with your attorney as, no matter what happens, we wish to provide continuity and consistency to you and yours:

"If Marguerite C. Lorenz, Clay B. Spiegel, Noah B. Benton, and Joseph F. McMackin Jr. are unable to act, then the President of Lorenz Fiduciary Services shall have the authority to appoint a Licensed Fiduciary, as successor trustee." *Please note that the President of the company is not the successor, but is given the authority to select a successor.*

When your beneficiaries receive their distributions from your estate, they also receive an accounting. If your document is silent on this topic, the law gives your beneficiaries 3 years to object to the accounting. Please ask your attorney to reduce the Accounting Objection period to 180 days. See Probate Code Section 16461 for more details.

Tax Reform and Charitable Giving

The Tax Cuts and Jobs Act of 2017 made a number of changes to Schedule A – Itemized Deductions, that may have a material effect on your future tax returns. The Standard Deduction was doubled, which may make Schedule A no longer relevant for many taxpayers. Two of the big changes include the elimination of Miscellaneous Deductions (the biggest example is Investment Advisory fees) and the limitation of deductions for state and property taxes to $10,000 per year.

For many of our clients, Charitable Gifts represent a large portion of their Itemized Deductions, so it is recommended that those clients utilize the now permanent "Charitable IRA Rollover" option. Taxpayers with IRAs can make distributions directly from the IRA to a charity and exclude the income from that distribution from their tax return. This distribution to a charity fulfills Required Minimum Distributions, so taxpayers can essentially use 100% of these charitable gifts to offset income while also receiving the full (larger) standard deduction.

There are multiple variables that go into this decision and calculation, so please contact your tax preparer to discuss whether and how to implement this.

Strengthening our Estate Planning Community

We have many years of experience, a well-qualified staff, and have worked successfully on hundreds of cases. An important aspect of our success is our relationship with our colleagues: attorneys, financial advisors, geriatric care managers, CPAs, estate sales specialists, realtors, and so many more. Getting to know good professionals has been made easier by our participation in the Estate Planning Group Network (www.EstatePlanningGroups.com).

These monthly one-hour breakfast meetings have been a great way to get to know other professionals, because there are no presentations. We have case studies and other activities, and we learn from each other. We attend many other networking and continuing education events as a way to keep our skills up-to-date, and to be sure we catch any new information necessary to our work. If you know any professionals who are looking to grow their practice, please invite them to visit EstatePlanningGroups.com, and learn about these valuable meetings. Meetings are currently being held in Riverside, Los Angeles, San Diego, and Orange counties, and there are plans to add groups in Northern California. We began with just one group in 2009, and as of October 2018, we will have thirteen, or more!

Estate Planning Courses

Marguerite has been teaching and presenting for 15 years, and over time she developed the EstatePlanning101.org program. If you know someone who is hesitating to get their estate plan up-to-date, this course makes the toughest concepts easy to understand, and enables each student to process their decisions in useful ways. Not only is this program valuable for people new to the estate planning process, but this 8 class course has also been approved for Continuing Education credit for CPAs, Attorneys, and Licensed Professional Fiduciaries.

Tax Planning

It's a given that laws change from time to time. It's also a given that life's circumstances change. Although you may be accustomed to seeing your tax preparer just once a year to get your return prepared, we suggest that meeting with your tax preparer before the end of this year is a good idea. You would get a chance to make positive choices that may improve your tax situation, but only if you take action before the year ends.

We thank you for the trust you have placed in us. We are delighted to be of service to you and yours, and we wish you all the best throughout the rest of this year, and beyond.