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Office hours M-TH 9:00 am to 5:00 pm/ Fridays 9:00 am-12:00 pm only.

We will accept a noon "pop in" if we have advance notice only

TECHNOLOGY vs GOING OLD SCHOOL

When it comes to managing finances these days it appears that many of us have gone paperless with most bills set on auto pay. Although this is convenient for the "bill payer" it may not be convenient for the person that has to take over if the bill payer dies or becomes incapacitated. For example, if you are the "bill payer" at home and have everything set up under your favorite programs (quickbooks, excel spreadsheet, or online bill pay) have you ever asked the question - "If I die before my spouse or become incapacitated, will they know what to do?" If you are married, can you both access the accounts online? Do you both know all the passwords for not only the account the bills are drawn from but also how to access the company account online? For example the Consumers bill, credit card statements, mortgages, etc.

It may be difficult to undo or change what is already in place, but now may be the time to sit down with the "non-active" spouse and review the accounts, when bills are set for auto deduct and passwords for each account. If your spouse is not mentally able or has previously "checked out" from ALL THINGS FINANCIAL, then perhaps you should consider reviewing this with the person designated under your Durable Power of Attorney.

On that same note, if your spouse is not active in the finances, either due to lack of mental capacity or lack of interest, perhaps now is the time to revisit your Durable Power of Attorney to make sure you have the right person nominated to serve in the event you find yourself (the bill payer) needing some assistance.

SAFE WORD

I recently had a family in my office and we covered the much hated discussion of financial elder abuse and what that means and how to protect against it. I am not going to try and give you 47 steps to prevent elder abuse, but I am going to share this family's brilliant idea. THE SAFE WORD! With all the recent updates to technology and AI (Artificial Intelligence) many scam artists now have the ability to recreate a family member's voice. For example, these scam artists can recreate your grandchild's voice, call your home and in that "recreated" voice make it sound like your grandchild has just been picked up for drunk driving or was arrested for some crime. The voice on the other end of the line is asking for you to wire or transfer money to get them out of jail or save the day. What grandparent doesn't want to help out little Jimmy who is in a bind?

Sadly, it is not little Jimmy on the phone, but this advanced technology made to sound like him. So how does this family protect themselves? They have created a SAFE WORD for everyone to use. Now if the fake little Jimmy calls needing funds, grandma can ask for the safe word. Obviously, the AI voice won't be able to comply and most likely they will hang up. Financial fraud avoided! We find this process online when we see the "I am not a robot". Now we can have our own family system!

CONSUMERS ENERGY, CELL PHONE COMPANY, CABLE COMPANY, MORTGAGE COMPANY AND CREDIT CARD COMPANY

What do all of these companies have in common? If your name does not appear on the account they cannot talk to you, they cannot give you any information and they most definitely cannot take direction from you to close this account. How many of you have had to take over a parent's financial life and shut down their accounts - simple accounts like the cable or cell phone that aren't really that important in the grand scheme of things.

This same issue has probably even occurred between husband and wife. I know it has in my life. So what to do to alleviate this issue? I have recommended to many of my clients to do the following:

1. If you are the authorized person on the account, contact the company and determine what process or paperwork is needed to add a second person to that account;
2. Determine if that second person should be your spouse, if married, or if it should be your successor agent under your Durable Power of Attorney. Why an agent over your own spouse? If your spouse does not handle any of the finances (see above article) and/or is not competent, perhaps the better person to add to the account is your successor agent under your Durable Power of Attorney or even your successor Trustee;
3. Once you have updated the account with this second authorized person, don't make this the best kept secret. Instead, make a list of all your accounts for the person who has newly assigned access.

GIFTING A CAR OR HOME TO A CHILD

Years ago, I had a client in my office that shared a story with me about her grandma and the gifting she did during her lifetime and what a blessing it was for the recipients. But it wasn't just the gift, it was what grandma said about her "lifetime" giving. She said "I'm giving while I'm living so I'm knowing where it's going!" Kind of a fun way to think about gifting. Sadly, this story is not taking as positive of a turn as you would think. In the 33 years that I have practiced law, I can honestly say that times have changed. What I mean by that is the joy of gifting is still there, but so is the concern of the giver that the gift will not be squandered, lost in a divorce, or sold outright to pay for drugs and alcohol. As great as it is to see the joy a parent or grandparent experiences when making large gifts such as a home or a car, in many situations the gift is made because the child receiving the gift is without a home or a car of their own and the parent has the means to help them out while they are alive.

As we all know, in many (not all) cases where a child has not earned the gift or the gift is given to assist a child who cannot acquire these things on their own, there is some concern that the child will not "protect" ownership of that gift. Over the years I have seen where a car gifted to a 50 year old son was sold days later for drugs and alcohol. I have seen where a house bought for a daughter and put in the daughter's name was subsequently mortgaged by the daughter to pull out equity to buy things she wanted but ultimately had no means to pay back the loan.

So how do we continue to encourage parents and grandparents to help these less fortunate children and protect the asset? With regard to the car, if the title is being put in the child's name for liability purposes, then the parents should make sure the title has them on as the "lien holder". If the child tries to sell the car to a third party for cash the transaction will come to a screeching halt as the title cannot be transferred to a third party until the lien holder signs off. We are used to seeing a financial institution as the lien holder, when in fact the lien holder can be anyone.

For real estate, if you are transferring ownership to a child so they can homestead the property but you are concerned that they will take advantage of this debt-free home, then consider filing a mortgage against the home and filing it with the register of deeds. If the child tries to refinance the home, or take out an equity loan or even sell it outright, the loan or sale will be stymied by your recorded mortgage.

2024 AND BEYOND

Each year we feel it is important to remind you to pull out your estate planning documents and your assets to make sure things are in order and up to date. What does that involve?

1. Review the documents and make sure these documents still reflect your wishes, like who is to inherit from you and who you have nominated to serve as administrator.
2. If you have a trust, review the transfer letter we sent to you after we completed your estate plan. It addresses the various assets you own and the efforts my office made to reach out to each financial institution to update the accounts. It is the same letter that included the return of your deed.
3. In addition to reviewing your estate planning documents, you should also take a moment to go to our website for additional tools to assist your medical advocate, your agent under your Durable Power of Attorney or your successor Trustee or Personal Representative. Under the “Articles” section of our website is a document called *Notebook Forms*. There you will find forms that will give your patient advocate medical information about you when it comes time for them to step in. There is also a form for your guardian to help them know more about your minor children’s personal doctor, dentist or medical concerns. There is even a form to let your Trustee or Personal Representative know who gets your pet(s). ***Check it out!*** It is one large PDF of forms and it allows you to print off only the forms you need.
4. Finally, here are some other things to consider that may need to be addressed in your estate plan or in the Notebook Forms addressed above:

Birth/ Death/ Change of employment/ Inheritance/ Change in medical condition/ Change in family relationships/Marriage/Divorce/Separation/Change of your address/ Recent disability of a beneficiary resulting in government benefits/ Updated address or contact information for your Trustee, power of attorney or medical advocate/ Problem Child(ren) - a child stole from me; alcoholism; incarceration; illegal activities; bankruptcy/loans or advances to children not previously addressed/beneficiaries that are no longer part of your life and don’t deserve to inherit from you.

Thank you to everyone for your continued referrals to our office. We appreciate the confidence you have in us. Mary and I look forward to serving you in 2024!