

Active Senior Secures Lifestyle Support and Family Legacy

CLIENT CASE STUDY | ADVANCE LIFESTYLE AND TRANSITION PLANNING

PROFILE

Susan was the “picture of health.” She played tennis every day and was an active volunteer in her community. Although she was a widow, she traveled frequently with friends and made regular trips to visit her three children, all of whom lived out of state and were busy professionals with grown children of their own. Susan’s late husband had been a professor at the local university; together, they had amassed an estate of nearly \$3 million, the bulk of which she kept at a large national bank in Ann Arbor.

In her mid-80s, Susan realized the time had come to plan for the long term, for a time when she could no longer manage the details of caring for her own financial affairs. For help, she turned to an estate planning attorney with whom she and her late husband had worked for several decades. She trusted the attorney far more than the representatives assigned to her accounts at the local banks.

GOALS

Susan wished to establish a relationship with a financial advisor who would help both her and her family with her financial affairs when the time came as well as someone with whom her attorney could collaborate. Susan wanted to maintain her current lifestyle without financial concern, wintering in Florida and traveling around the world as long as possible. She also wanted to have sufficient funds after her death to leave a legacy for her children.

KNOWN ISSUES

Susan relied heavily on the advice of her attorney, especially since she had no local family to help manage her affairs. She knew it was important to select a financial advisor who could — and would — work closely with her attorney.

UNKNOWN ISSUES

Although Susan was healthy and active, unbeknownst to her at the time, her heart was weakening. She would soon require bypass surgery and ultimately, assistance with everyday living.

CONSULTATION PROCESS

At Arbor Trust, we recognize that clients come to us looking for a firm that can collaborate with other trusted advisors. We aspire to become an integral member of our clients’ team. Because we had worked with Susan’s attorney over the years, when her attorney contacted us to meet with Susan, we were happy to do so. We listened as Susan described her situation and preferences, and we asked questions to understand Susan’s goals thoroughly. It became clear that not only did Susan need a financial advisor to manage her assets, she wanted a relationship that was consistent, providing the assurance that her family wouldn’t be burdened with handling her trust administration, and that the transition of assets would be smooth.

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ALTERNATIVES AND SOLUTION

After reviewing Susan's investment portfolio, we created an investment policy statement that met her goal of reducing the overall risk in her investment portfolio while still allowing for asset appreciation. We established regular meetings with Susan set conveniently before she went to Florida for the winter and once she returned to Michigan in the spring. We maintained contact with her by telephone and e-mail while she was away to address questions and accommodate cash needs. Through consultation with Susan and her attorney, Susan's estate plan documents were amended to ensure that we would handle all aspects of her trust administration in accordance with her wishes. We encouraged Susan to introduce us to her children so that we could establish a relationship with them and discuss our approach to trust administration — a valuable step before those services are needed.

When Susan decided she no longer wanted to prepare her own tax returns, we contacted her attorney with the names of two CPAs with whom we had previously worked and whom we thought would be a good fit for Susan and her needs. Her attorney agreed with the recommendations, so together we presented them to Susan, and she selected the one with whom she felt most comfortable.

EXECUTION AND RESULTS

Over the years, Susan's health deteriorated. She endured frequent hospitalizations and eventually, we helped the family locate and secure nursing home care for her. Since Susan's condition prohibited her from handling everyday affairs, we assumed bill-paying and other financial responsibilities, as she had directed. Susan passed away just shy of her 90th birthday.

Susan lived the life she wished throughout her 80s. After her death, we handled all of the aspects of her estate and trust administration with her children, and in coordination with her attorney and CPA. The administration process was seamless and her family was taken care of after her passing, just as she requested.

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BEYOND ADVICE

To learn more about how we strive to exceed your expectations by going beyond advice, we invite you to contact us.

825 Victors Way | Suite 150 | Ann Arbor, MI 48108
734.389.7794 | 734.389.7813 fax | www.arbortrust.com | info@arbortrust.com