

ON COURSE

An illustration featuring three stylized businesspeople in suits running along a curved, upward-sloping path. The path is depicted with white dashed lines and a large white arrow pointing forward. The background is a dark green gradient, and the overall style is modern and geometric.

The Importance of Updating Estate Plans

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Estate plans allow you to specify who will inherit your assets when you pass away, and authorize who can make financial and medical decisions on your behalf. They include essential legal documents like a Power of Attorney (POA) and a HIPAA waiver authorization and assign both primary and backup actors to these roles. In some more complex situations, estate plans may also include a trust.

An estate plan is drawn up by an estate attorney to ensure the primary actors are in place if and when you need them, and to protect against a court appointment by ensuring they are empowered to act on your behalf. An estate plan is important, and something every adult individual should have. Adding wealth and varying asset classes simply adds

complexity to the plan.

Creating an estate plan is a great step but making a plan and filing it away isn't enough. It's essential to revisit your estate plan periodically and keep the following things in mind.

Update Your Estate Plan

As important as creating your plan is the process of updating it on an ongoing basis. Many people create their estate plan, but then file it away and forget about it. You should revisit your estate plan roughly every 3 to 5 years, plus following any major life event - such as retirement, marriage/divorce, empty nest, or an out-of-state move. Even if you're not experiencing a life change, it's important to review these documents every few years to refresh yourself on who you've listed in them and whether they reflect your

current situation. Updating your plan doesn't have to be complex; start by reviewing it yourself and if you identify areas for change, you can then contact an attorney.

Execute Your Estate Plan

It sounds obvious that you'd execute the estate plan you've created, yet one of the biggest pitfalls we see is failure to fully implement an estate plan. The process doesn't stop once your attorney draws up the documents; implementation also requires coordination with your financial institutions. Something many people don't realize is that whoever is listed on financial accounts as the beneficiary will override the beneficiary you listed in your will. You read that right! If your estate plan doesn't match what is on your bank accounts, for example, it will be overridden. This means once you update your plan it's essential to align your financial accounts with it.

Make the Plan Accessible

It's common practice for people to take signed documents and store them in a safe deposit box at the bank. While this is seemingly logical, it is also problematic. If your plan is locked in the bank and you're the only one with a key, it's inaccessible, especially in the event you need an outside party to retrieve it. Additionally, banks are only open during business hours creating a problem if documents are needed outside of normal business hours. It's important to store your estate plan in a place that's both secure and accessible - and to advise your designated actors where the document is.

Customize Your Plan to Your Situation

For those who are married, it's important to make sure your plans work in conjunction with each other and don't conflict. This is especially true in separate property situations. In general, each individual should have their own estate plan. It's

help identify when it's time to update, plus guide you in moving forward. For many, one of the hardest decisions in estate planning is deciding who to list as primary and secondary actors. It's best to consider in advance who you want in the role of Executor, who you want to have Powers of Attorney, and

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also important to be aware of details specific to you. We never advise using an online tool like a will-maker, as these one-size-fits-all solutions can leave off important details and state-specific items. Be sure your plan is customized for your life situation, and update your plan if you experience a life change.

While these tips should help when updating your estate plan, the number one most important step you can take is to talk to an attorney. An attorney can

so forth. Don't wait until something happens; keep your plan current so it's already in place and the appropriate parties can step in and make decisions on your behalf if the need arises.

Wealth management firms like Richard P. Slaughter Associates can also help with the execution of your estate plan. We often provide referrals to trusted estate planning attorneys for our clients. We're also available to assist with the implementation process, and aligning your

ABOUT RICHARD P. SLAUGHTER ASSOCIATES, INC.

Richard P. Slaughter Associates is a leading wealth-management firm specializing in delivering tailored strategies as a fiduciary for high net worth individuals, families, and businesses.

Slaughter Associates constructs a comprehensive financial relationship with its clients by delivering expertise in financial planning and asset management while coordinating with tax, insurance and estate professionals. The result is a holistic approach—unique in the financial industry—that generates a clear path to the individual financial goals of the client. Founded in 1991 in Austin, Texas, Slaughter Associates was among the first fee-only firms in the nation, a fiduciary status that allows it the freedom to provide advice that is always in the best interests of the client. Slaughter Associates is a NABCAP Premier Advisor, recognized for its commitment to maintaining top business standards, first-class financial-management capabilities and dedication to preserving transparency in the financial services industry.

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Other Interesting Fact

One of the first fee-only advisor firms in the United States

accounts in our care with your plan once it is drawn up. We're here as a resource and happy to be involved in the conversation, especially in more complex cases.

For anyone who does not have an estate plan in place, we encourage you to connect with an estate planning attorney as soon as possible. The same goes for those with an existing but potentially outdated plan. Having an updated plan is just as important as creating it in the first place, and should be an on-going process throughout your life. 🌊



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